

The same applies here, it would seem to me, I say to my friend from Nevada, that this is a case where not only someone in the CIA but anyone in a position who has access to this classified information would be subject to this. Again, I say to my friend from Nevada, since he is on the floor, I really think many of the people who are inquiring about this are stopping short because they are only focusing on who gave the information to Mr. Novak. There is a deeper and I think even more profound question to be asked: How did those individuals in the administration get that classified information? How did they come by that information to know this Valerie Plame was an undercover agent? That raises very serious questions.

Mr. REID. If I can answer and ask a question. First of all, Webster's compact dictionary I have in my desk says a traitor is one who betrays trust. So certainly if a CIA agent leaked to the press the name of one of his colleagues who is an undercover agent, he would be a traitor.

Mr. HARKIN. I accept that definition. I say to my friend, my feelings and my senses are that someone with this kind of information who leaked it I think has violated the law and betrayed the government and the citizens of the United States.

Mr. REID. The next question I ask my friend: So if a CIA operative would be subject to criminal penalties and would be considered a traitor for doing this activity, certainly someone working within the administration, within the White House, would be considered the same; is that not true?

Mr. HARKIN. I think the Senator from Nevada has it exactly right. That is true, they would be considered the same. I thank the Senator for asking the question because it does clarify a point.

If I can take off from what the Senator from Nevada just asked me—and it is a good point, it should be made—what would happen in the administration if someone in the CIA had leaked this kind of information about an undercover agent. What would happen? I will tell you what would happen. They would have that person locked up in jail before nightfall, and they would be prosecuted to the full extent of the law. My friend from Nevada raises a good question: What is the difference between that and someone in the White House or administration doing the same thing?

Again, it is time for a special counsel. As the New York Times said this morning on the front page, both Mr. Rove and Mr. Oliver have close connections with Mr. Ashcroft. I don't know whether they are involved in this or not, but they are both very high in the administration. There are too many close ties between Attorney General Ashcroft and people high in this administration for the people of this country to be assured that we are going to have a fair, independent, full, and thorough

investigation. Let the chips fall where they may and prosecute—yes, prosecute—the people responsible for leaking this information.

Mr. President, I intend to take the floor of the Senate every day to talk about this issue. We cannot allow this to be swept under the rug. We cannot allow a coverup to go on day after day. This is a President elected by the people, a servant of the people. And I don't think it is enough for any President to say: We will let the Attorney General investigate. The buck stops on the President's desk. I can only say if an allegation had been made about someone on my staff doing something like that, I would call them in, and I would have them sign a notarized legal document right there: I, so and so, had nothing to do with any leak and know no information about it whatsoever. Sign it.

That is what the President can do, and we can have this information out about who called Mr. Novak, who called these other reporters. We would know it before the sun went down today. That is why this coverup cannot continue to go on. The American people deserve better than this, and they are going to get it. We are going to find out who put our country at risk, who committed these treasonous activities. I yield the floor.

Mr. REID. I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Morning business is closed.

EMERGENCY SUPPLEMENTAL APPROPRIATIONS FOR IRAQ AND AFGHANISTAN SECURITY AND RECONSTRUCTION, 2004

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will resume consideration of S. 1689, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 1689) making emergency supplemental appropriations for Iraq and Afghanistan security and reconstruction for the fiscal year ending September 30, 2004, and for other purposes.

Pending:

McConnell modified amendment No. 1795, to commend the Armed Forces of the United States in the War on Terrorism.

Biden amendment No. 1796, to provide funds for the security and stabilization of Iraq by suspending a portion of the reductions in the highest income tax rate for individual taxpayers.

The ACTING PRESIDENT pro tempore. Under the previous order, there will be 40 minutes divided in the usual form on the McConnell amendment No. 1795.

The Senator from Kentucky.

AMENDMENT NO. 1795

Mr. MCCONNELL. Mr. President, before proceeding to my remarks about the pending amendment, I point out to Members of the Senate that we are all familiar with the National Endowment for Democracy and the fact that it provides funds to the International Republican Institute and the National Democratic Institute, which operate overseas to help promote democracy, human rights, and all of the things that Americans believe are important.

The National Democratic Institute recently issued a report on Iraq that I think is noteworthy, and I am going to point out some excerpts from that.

I ask unanimous consent that excerpts from this report be printed in the RECORD.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 1.)

Mr. MCCONNELL. Former Secretary of State Madeleine Albright currently chairs the National Democratic Institute and she points out:

The past half-century provides ample proof that democracy is more than just another form of government; it is also a powerful generator of international security, prosperity and peace.

According to the NDI, inside Iraq there is an explosion of democratic politics.

. . . NDI will find fertile ground for democracy promotion initiatives on a scale not seen since the heady days of the fall of the Berlin wall.

That bears repeating, that the National Democratic Institute finds within Iraq today an explosion of democracy, and fertile ground for democracy promotion initiatives on a scale not seen since the fall of the Berlin wall.

Another finding of the NDI that I think is noteworthy is that the Iraqis are grateful for their liberation. There has been some notion promoted, I think by many in the press, that somehow the Iraqis are sorry that Saddam is gone. The NDI, headed by Madeleine Albright, finds that the Iraqis are grateful for their liberation.

In addition, the NDI finds significant evidence of support for the United States. For example, they say:

In Kirkuk, there was a large painted sign reading "Thank you USA" in English and in Kurdish.

Additionally, the NDI found overwhelming support for liberation, but lack of stability or economic opportunity obviously does erode, to some extent, support for the U.S.

They found that security and jobs are a precondition to democracy. We know that, and that is what this supplemental is all about. They found Iraqi frustrations are due to fear and uncertainty, not hostility toward the United

States. This is the National Democratic Institute, headed by Madeleine Albright, which said that Iraqi frustrations are due to fear and uncertainty, not to hostility toward the United States.

The NDI also found that the Iraqis need our help now, and that is what this supplemental is all about. They also found that chaos and slow progress would feed the forces of radicalism, which seems an obvious statement to this Senator, and I believe their findings highlight the fact that time to act on the supplemental is now. That is why this bill is before the Senate and why we are moving forward with this important supplemental to finish the job in Iraq and give the Iraqis a chance to realize their aspirations.

As we all have recognized, the world changed dramatically on September 11, 2001. It changed in that the unprovoked attack on America required that America defend itself from the shadowy network of international terrorism.

To protect American lives and buildings, the President announced his intention to go after international terrorists wherever they were and after the regimes that supported those efforts, whoever they were. He warned that the costs would be high, that patience would be required, but that America would win the struggle.

Today we are here to pay the price of freedom by moving this supplemental forward. Many have already paid the ultimate price for freedom, whether it was soldiers in Iraq or Afghanistan, civilians in the World Trade Towers, passengers in airlines wrestling control from terrorist hijackers, or the passengers themselves giving their own lives. Yes, many have paid the ultimate price of freedom. The question is, Will Congress pay?

Some say the price of freedom is too high and we have already paid too much. So while we have won the war in Iraq, the struggle today is whether America will pay the price to win the peace, just as we did after World War II. This is a question, of course, we have struggled with before.

In the past, we have sometimes won wars but actually lost the peace. But not always. At the end of the Civil War, President Lincoln foreswore revenge, retribution, and reparation payments against the South. His spirit marched on as America paid for the reconstruction of the South, ravaged by the effects of 5 years of a new, more devastating type of warfare. Clearly, if we look at America today, we won that peace.

At the end of World War II, America again won the peace. We did not want the emergence of another Weimar Republic of Germany, which, racked by debt and desolation, would spawn yet another new greater threat. Of course, that was the result after World War I, costing us a second payment of even more lives and paying the price for freedom in World War II. Instead of a failed peace, such as we had after

World War I, in 1948 the Marshall plan of aid and trade inaugurated a restoration of Europe, a halt to Communism and an unprecedented expansion of freedom and peace.

This is a picture of President Truman signing the Marshall plan in 1948. Interestingly enough, that was in the middle of a tough Presidential election. It would have been easy for the Republican-controlled Congress to have politicized that effort, to have criticized President Truman for advocating that kind of spending on the reconstruction of Europe, but instead they came together on a bipartisan basis.

Arthur Vandenberg, Joseph Barton, and the other Republicans who were in the majority in the Congress that year joined hands with President Truman and said: Let's make this bipartisan, let's finish the job in Europe, let's do it right and give the Europeans a chance to develop democracy and freedom, something that was lost after World War I.

Today we face the very same challenges. Historians may very well record that now is when the American Millennium began anew, and an unprecedented expansion phase, not of America herself, but of the idea that America represents and shares with all freedom-loving countries.

Through one of history's great ironies, the very ideas that were attacked on September 11, 2001, American ideas like democracy, individual freedom, limited government, and free markets—these ideas when attacked did not retreat but were revitalized, not just here but in countries where history records little evidence of even the most basic human rights.

But now, here, today, the scribes of history can say this is when civilization, freedom, and peace began a new march forward, rather than a stagnant period of isolationism of war, oppression, and decline.

I agree this will be the defining debate of this Congress. As history hangs in the balance, as the world wonders whether America will promote the freedom and democracy we brought to Western Europe and Japan after World War II, and to Eastern Europe and Russia after the cold war victory, America should look on this debate with hope and fear. America should hope we in Congress will come together to give peace and freedom a birth in a region not known for it, but we fear that politics may prevent that.

The challenge we face today to which I alluded earlier is to come together behind the President's request, like the Congress did on a bipartisan basis for President Truman and the Marshall plan: to give Iraq a true opportunity to become a bastion of democracy and freedom in the Middle East.

This bill signing I referred to earlier was the first of a total of \$10.9 billion appropriated for the Marshall plan during 1949 to 1951, to rebuild Europe and Japan. When you adjust that for infla-

tion, that is equivalent to about \$83 billion in today's dollars, over 4 times what the President is calling for in the rebuilding of Iraq. The Marshall plan was four times larger than what the President is asking us to do today in rebuilding Iraq. Polling data back in that era, 1948, showed only 68 percent of Americans had heard of the Marshall plan, and only half of those who had heard of it approved of it. Back in 1948, clearly, spending money to rebuild Europe was not popular, but Republicans and Democrats put aside their differences, rallied behind President Truman and, as I indicated earlier, people like Arthur Vandenberg of Michigan, Charles Eaton of New Jersey, and Joseph Martin of Massachusetts, along with others in a Republican-controlled Congress, joined hands with President Truman to get the job done.

We need leaders like the Vandenberg and Martins, leaders like those who crossed the aisle to enact President Truman's Marshall plan to rebuild Europe and Japan. We need those leaders today. The election is 13 months away. Let's not start it this soon. Let's do the right thing here in the Senate to give Iraq a real opportunity to achieve its dreams. Let's do what is right for America. The politics will take care of itself in the next year.

What I had hoped for was a high level of bipartisanship. Unfortunately, we have gotten a high level of politics out of all of this. This is the first great military challenge to America in the new millennium. We hear calls out on the Presidential campaign trail for the President's impeachment. One Member of the Senate said that. Or regime change, said another Member of the Senate running for the Presidency. We heard the war for Iraq was a fraud and that the removal of an unbelievably brutal dictator was described by one candidate as "supposedly" a good thing. We hear there is no chance for military success, like that of World War I, World War II, Korea, the cold war, or Desert Storm, that gave freedom to Western Europe, Japan, North Africa, South Korea, Russia, Eastern Europe, or Kuwait. We are told our military efforts can only end in a Vietnam-style quagmire and failure. We hear that paying the price to win the peace and bring our soldiers home is too much.

And last, and most destructively, we hear every benefit of the doubt given to a brutal dictator, while every conceivable doubt is hurled upon this administration, our intelligence networks, and our allies.

It should not be that way and it doesn't have to be that way. We can come together. The President's plan says yes, let's make aid and trade work together, not just to rebuild Iraq and end the terrorism, but to build a working democratic state based on individual freedom and free markets. That is how to win the peace. But, frankly, in its details, democracy and peace is pretty routine stuff. It doesn't get a lot

of press. Winning the war, that gets a lot of press. So do efforts that threaten the peace. But winning the peace itself involves terribly mundane stuff.

For example, taking out a terrorist training camp is news. But building police training academies is not. The former wins the war, the latter wins the peace.

Using bulldozers to cover the populations of whole Iraqi towns in mass graves is part of the horrific terror that gets press coverage. But using garbage trucks to keep towns clean and safe from pestilence and disease is the boredom of peacetime. When humans are treated as refuse, that is a sign of war. When human refuse is treated, that is a mark of peacetime.

Garbage trucks and police academies are the mundane, boring signposts that peace and democracy are progressing. We see all sorts of routine signs of progress that get no press. Fifty-eight of the largest cities of Iraq have hired police forces. Some 70,000 Iraqis are patrolling the streets of their country. No one reports this—no one. Medical supplies are flowing to hospitals, with regular paychecks going to doctors and nurses. No one is reporting that. Vaccinations are available across the country and antimalaria sprays are proceeding. No one is reporting that. Again, more mundane stuff that makes for peace and progress. Airports are reopening and so are ports. Provisional representative councils are formed in major cities, especially in Baghdad, and 150 newspapers are publishing, with foreign publications, radio and television broadcasts also available. That is a radical change over there, but show me the press clippings covering the progress. I haven't seen any—none.

We see other signs of progress we would call a normal life—120,000 Baghdad students returning to classrooms last May; 1.2 million school kits are being prepared for the coming school year which started this week; 5 million math and science books will be distributed. Banks are opening, crops are being harvested, the Baghdad symphony is performing, bookstores are reopening, and artists are displaying their works. None of this is reported because it is not newsworthy here in the United States. But it is news there, and proof of peace and democracy sprouting up all over Iraq.

Peace and democracy are sprouting in Iraq, but you would be hard pressed to find news reports here because mainly failure and setbacks count as news. And, of course, certain papers and broadcasters focus on the Presidential candidates, calling the President's efforts a failure. We should not be too surprised. Presidential politics is the most powerful political force in America. But I urge people to ask themselves, why didn't Presidential politics destroy the Marshall plan back in 1948, closer to a Presidential election year than we are now? Presidential politics did not destroy the Marshall plan because Members of the Senate on a bi-

partisan basis rose above that and did what was right for America and right for Europe.

I believe it was due to the fact that Republicans and Democrats alike wanted to ensure history did not repeat itself. They knew of their friends and comrades who died in World War II because they failed to win the peace after World War I. The threat of poverty and despair in Europe was real, and so was the effort by communists to take advantage of that. But mostly, they didn't want the sacrifice of their sons, brothers, fathers and husbands in World War II to be in vain. To them and us, lives and freedom should be more important than power and politics.

So I ask, can we set aside politics and ask what happens if we fail in Iraq? Perhaps we are not motivated by the good that can come from a democratic Iraq. But surely we should consider the disaster that can befall the world if in this war against terrorism, we fail to bring peace and democracy to Iraq and Afghanistan. Our children and their children will have lost their chance for peace, freedom and prosperity.

This is a defining moment, but if we look after the interest of the next generation rather than the next election—like President Truman and the Republican Congress did back in 1948 with the Marshall plan—we can do something great for Iraq, for the world and for our children.

So, I ask us to think of the future generations like those who formed the Marshall plan considered in their deliberations. I ask us to come together to do what is right for future generations. I ask for unity, and to promote that end, I will offer an amendment that should unify this body. Let us set aside the rancor and agree that the Armed Forces of the United States have performed brilliantly in Operation Enduring Freedom in Afghanistan and in Operation Iraqi Freedom in Iraq.

Since October 7, 2001, when the Armed Forces of the United States and its coalition allies launched military operations in Afghanistan, designed as Operation Enduring Freedom, our soldiers and allies have removed the Taliban regime, eliminated Afghanistan's terrorist infrastructure, and captured significant and numerous members of Al Qaeda.

Since March 19, 2003, when the Armed Forces of the United States and its coalition allies launched military operations, designated as Operation Iraqi Freedom, our soldiers have removed Saddam Hussein's regime, eliminated Iraq's terrorist infrastructure, ended Iraq's illicit and illegal programs to acquire weapons of mass destruction, and captured significant international terrorists.

During all this time, during the heat of battle, our soldiers have acted with all the efficiency that war time commands, but all the compassion and understanding that an emerging peace requires. They have acted in the finest tradition of U.S. soldiers and are to be commended by this body.

That is what this situation requires of us today. I hope as we move forward with this debate on the supplemental, Members will remember the importance of pulling together to finish the job in Iraq.

I yield.

EXHIBIT 1

EXCERPTS FROM A RECENT NATIONAL DEMOCRATIC INSTITUTE REPORT ON IRAQ

"The past half-century provides ample proof that democracy is more than just another form of government; it is also a powerful generator of international security, prosperity and peace."—Madeleine K. Albright, NDI Chairman

An Explosion of democratic politics: "After three days in Baghdad it is already clear that NDI will find fertile ground for democracy promotion initiatives on a scale not seen since the heady days of the fall of the Berlin wall. There has been a virtual explosion of politics in Iraq's capital city with as many as 200 parties and movements having made themselves known to the Coalition Provisional Authority."

The Iraqis are grateful for their liberation. "NDI's overwhelming finding—in the north, south, Baghdad, and among secular, religious, Sunni, Shiite, and Kurdish groups in both urban and rural areas—is a grateful welcoming of the demise of Saddam's regime and a sense that this is a pivotal moment in Iraq's history. A leading member of a newly formed umbrella movement, the Iraq Coalition for Democracy, put it this way, "We already see the positive results the Americans have brought—we are free to talk to you, to organize a movement and party, free to meet and demonstrate and all of this was made possible by the Americans."

Significant evidence of support for the United States: "In Kirkuk, there was a large painted sign reading, "Thank you USA!" in English and in Kurdish. In Erbil and Suleimaniya, there were many "Thank you to the USA", "Thank you to President George Bush" banners as well as "peace and prosperity come with democracy."

Overwhelming support for liberation, but lack of stability or economic opportunity erode support for the U.S.: "Across the board, the people of NDI met with in southern Iraq supported the forceful ouster of Saddam—a person many described as "Nero" and a "criminal towards his people". Although southerners were clearly conscious of the discrimination they had suffered under Saddam's Baathist rule, many were quick to add that poor security conditions and a lack of basic necessities are having a negative impact on attitudes toward the U.S."

"The main findings of the research reveal that, in every community, the Iraqis are grateful for the ouster of Saddam Hussein but have a strong desire for order and governance. They feel a mix of excitement and fear about the prospect of freedom and democracy, and have differing views about the role of Islam in the country's new political order."

Security and jobs are a precondition to Democracy. "One former general, previously part of the Free Officers Movement, summed up the state of Iraqi "anxious ambivalence" this way, "People need a rest. They need security and jobs and, maybe after a year they can be educated about political parties and democracy and then they can choose their future properly."

Iraqi frustrations are due to fear and uncertainty, not hostility to the United States. "Faced with rising crime, uncertain economic prospects, and chaotic daily conditions, complaining—to anyone who will listen—has become a national pastime. Part of

the problem is a perceived lack of access to those in authority, but mostly the complaints are a symptom of uncertainty, not an expression of hostility to the United States or its aims in for Iraq."

The Iraqis need our help now. "Time is not on the side of the coalition or Iraqi democrats. Current conditions play into the hands of extremists—religious and nationalist—who point to lack of progress as proof of the need for a strong hand."

Chaos and slow progress feed the forces of radicalism. "In fact, many Iraqi political forces are benefiting from the societal chaos. Islamic forces, including the Shia dominated Da'awa party and Supreme Council for the Islamic Revolution in Iraq, with their inherent legitimacy, established networks, and communications facilities through the Mosque, are flourishing and establishing positions of dominance in Shiite slums, small cities and the underdeveloped countryside."

Time to act on the supplemental is now. "In conclusion, this is not a time for despair or second-guessing but for action. There is an urgent need for democratic education, party strengthening, for coalition building and for material assistance to democratic movements and organizations. The political vacuum is being filled by those with an interest in destroying and separating rather than uniting and building—only concerted efforts to strengthen the democratic middle can help stem that tide."

Mr. REID. Mr. President, has the distinguished majority whip yielded his time?

The ACTING PRESIDENT pro tempore. The Senator from Kentucky controls an additional 1 minute. The minority side has 20 minutes remaining.

Mrs. BOXER. Mr. President, I am going to support the amendment introduced by Senator McConnell for one reason and one reason only: I support our troops, and I share the sentiment all Americans have in holding our men and women in uniform in the highest regard.

It is a fact that there are differences in this country about United States policy toward Iraq. But there is no disagreement that our military personnel have been brave and courageous. They have made sacrifices for our country and more than 300 have made the ultimate sacrifice. I grieve for their loss and my heart goes out to their families and loved ones.

Families throughout America are proud of their sons, daughters, fathers and mothers who are fighting in Iraq and Afghanistan. They are anxious about reports of daily attacks on United States soldiers in central Iraq and are hopeful that already lengthy deployments are not further extended. I share both their pride and their anxiety. I, too, think about our troops every day. I think about their families. I think about their sacrifices.

The McConnell amendment makes note of these sacrifices. It also commends organizations such as the USO and Operation Dear Abby that help support our troops. The amendment also states that there should be appropriate ceremonies to honor and welcome them home. I hope these ceremonies occur sooner rather than later.

California has a rich military tradition. Military personnel from across

the State and from all branches have been serving bravely in Iraq and Afghanistan. I am especially proud of these military men and women and wish them a safe return home.

Mr. LEAHY. Mr. President, on March 20 of this year, the Senate passed S. Res. 95, a resolution commending the President and the men and women of the United States Armed Forces, and the civilian personnel supporting them, for their efforts in the war in Iraq. I co-sponsored that resolution. While there was some language in that resolution I would have changed or deleted, I felt it was appropriate and drafted in a relatively non-political, balanced way such that even those of us who had opposed the resolution authorizing the use of unilateral, pre-emptive force could support.

Today, the Republican leadership has put forward another resolution, which again commends the President and the men and women of the Armed Forces, as well as the civilian personnel who have supported them. I will also vote for this resolution. Of course we commend the troops, their families, and the Defense Department's civilian personnel, for their courage and sacrifice for their country. I have commended the extraordinary efforts of our troops in virtually every statement I have made about Iraq.

But this resolution goes further than S. Res. 95, in ways that I disagree with. It commends the contribution of defense contractors, for example. I have nothing against defense contractors. Many deserve recognition for their indispensable, innovative contributions to the success of our Armed Forces, including defense contractors in my own State of Vermont. It is, for example, these companies that developed the precision-guided weapons that helped to reduce the number of civilian casualties in Iraq. But other contractors have engaged in practices that have bilked American taxpayers out of many millions of dollars, overcharging for their services or manipulating the bidding process. I do not commend those contractors.

I also disagree with some of the wording of this resolution, because it may leave the wrong impression. For example, at one point it states "Whereas the United States pursued sustained diplomatic, political, and economic efforts to remove those threats peacefully." It is true that the administration went to the United Nations, belatedly, under pressure from Congress and the rest of the world, to seek support for the use of force against Saddam Hussein. But it went to the United Nations with an attitude of "you're either with us or against us," and when they did not get everything they wanted as quickly as they wanted it, they prematurely abandoned the diplomatic process and launched a unilateral military attack for the purported purpose of upholding U.N. resolutions without the support of the U.N. Security Council. The administration's diplomatic

and political efforts were grudging, half hearted, and ineffective.

In addition, I am concerned, and disappointed, that this resolution makes no mention whatsoever of our diplomats and aid workers who are working tirelessly in Iraq under extremely dangerous and difficult conditions. Their bravery and sacrifice should also be recognized.

Mr. President, we want Iraq to become a democratic, prosperous nation. But let's be honest. We know why the Republican leadership hastily drafted this resolution last night. It is increasingly obvious to the American people that the war in Iraq, where United States soldiers are being killed and wounded every day 4 months after the President declared the "mission accomplished," is going to drag on for years and cost hundreds of billions of dollars. The \$87 billion supplemental appropriations bill we are considering is fraught with problems, and even Republicans are realizing that it is unpopular with a majority of their constituents. Compounding that, the White House is facing an internal probe of the leak of the identity of a covert CIA employee. So what do they do, they trot out another "feel good" resolution praising the President, in an effort to divert attention from the real issues. We have seen this too many times before.

Again, I will vote for this resolution because I am concerned about our troops and want them to know that each and every one of us supports them as they risk their lives to bring peace and security to Iraq. But I would hope that in the future we do better than these simplistic, politically motivated resolutions.

Mr. KENNEDY. Mr. President, I share the reservations of many of my colleagues about the McConnell amendment. Each and every Senator supports our troops in Iraq, but many of us do not support the decision by the Bush administration to go to war.

This amendment states the pride and admiration we all feel for our troops, their families, and all of those who aided in the effort. But it also contains several provisions many of us disagree with.

The President has stated, there is no evidence that Saddam Hussein was involved in the attacks on the World Trade Center, yet this amendment leaves the impression that he was. This amendment also states that our military action brought an end to Iraq's illegal programs to acquire weapons of mass destruction, but no evidence whatever has been found that Saddam had even begun to reactivate these programs of the past.

In addition, the amendment commends the President and Secretary Rumsfeld for planning and carrying out Operation Iraqi Freedom. No one doubted we would win the war, but we had no plan to win the peace, and Secretary Rumsfeld and Deputy Secretary Wolfowitz misled the President and the country about the need to go to war.

As the evidence now makes clear, Iraq was not an imminent threat to our national security. Iraq did not have longstanding ties to terrorist groups. Iraq was not developing nuclear weapons. No weapons of mass destruction have been found in Iraq.

It is wrong to put American lives on the line for a dubious cause. Many of us continue to believe that this was the wrong war at the wrong time. There were alternatives short of a premature rush to a unilateral war that could have accomplished our goals in Iraq with far fewer casualties and far less damage to our goals in the war against terrorism.

This resolution commemorates Operation Iraqi Freedom as if the war were over and our men and women are coming home. We know this is not the case, despite the President's declaration of "mission accomplished" aboard the aircraft carrier 5 long months ago.

Our service men and women still face constant danger in Iraq. American lives are lost almost daily in Iraq. They were told they would be welcomed as liberators. Instead, they are increasingly resented as occupiers and are under siege every day. They face surprise attacks and deadly ambushes from unknown enemies. It is increasingly difficult to tell friend from foe. The average number of attacks against American soldiers recently increased from 13 to 22 each day.

Three hundred and sixteen Americans have been killed in Iraq since the war began. In the 5 months since President Bush declared "mission accomplished," 178 American soldiers have died. Ten soldiers from Massachusetts have made the ultimate sacrifice in Iraq. Each day another eight soldiers or Marines are wounded in Iraq.

These are not just statistics. Each fallen soldier has someone who mourns their loss. That loss—whether it's a husband or wife, a son or daughter, a brother or sister, or a father or mother—weighs heavily on us as well, and we must do our best to see that their sacrifice is not in vain.

The administration still has no credible plan to end this war. Our troops deserve a plan that will bring in adequate foreign forces to share the burden, restore stability and build democracy in Iraq, and bring us closer to the day when our troops will come home with honor.

Our soldiers' lives are at stake. Patriotism is not the issue. Support for our troops is not the issue. The safety of the 140,000 American servicemen and women serving in Iraq today is the issue, and, it is our solemn responsibility to question—and question vigorously—the administration's current request for funds. So far, the administration has failed—and failed utterly—to provide a plausible plan for the future of Iraq and to ensure the safety of our troops.

Mr. BYRD. Mr. President, West Virginians know sacrifice. Families from the Mountain State have lost loved

ones in both Iraq and Afghanistan. Members of the West Virginia National Guard and the members of the Reserves have been deployed around the world, their lives on the line each day in the most dangerous of circumstances. Our troops deserve to be commended, as do all Americans who have supported them: their husbands and wives; their sons and daughters; and all the members of their communities.

I have grave concerns for the situations that our troops now find themselves in. In Iraq, constant attacks have caused the toll in American lives to more than double after May 1. In Afghanistan, which is in danger of becoming the forgotten war, Taliban and al-Qaida terrorists are hiding in the mountains, regaining their strength, and plotting against us.

I will vote for the resolution that is before the Senate, but only because we must not offend those who have sacrificed in the wars in which the United States is now engaged. It should be a moral obligation to support those who have lost loved ones in battle, and those who wear our Nation's uniform.

But I do not agree with many of the where-as clauses to the resolution that are before the Senate. It is wrong to commingle the images of Osama bin Laden and Saddam Hussein. I do not agree that our attack on Iraq is part of the "Global War on Terrorism." It is misleading to imply that the United States had run out of diplomatic options before attacking Iraq. It is dangerous to think that we have eliminated Afghanistan's terrorist infrastructure. The first three pages of this resolution lay out a distorted history of how we came to be involved in the wars in Afghanistan and Iraq. We need to stop the spin and distortions. They do a disservice to the public.

Mr. FEINGOLD. Mr. President, I voted in favor of the McConnell amendment today, because I wholeheartedly agree with the sentiments in its resolve clauses expressing the Senate's tremendous admiration and appreciation for our men and women in uniform who have served in Operation Enduring Freedom and Operation Iraqi Freedom. Their contributions and their service deserve our unified and enduring support.

However, the findings contained in the amendment seem to link Saddam Hussein's regime to the terrorist attacks on the United States that occurred on September 11, 2001. No evidence supports such a link, and those who continue to confuse these issues do the American people a great disservice, as they encourage an unfocused and unwise approach to our first national security priority, the fight against terrorism.

Ms. MIKULSKI. Mr. President, I am proud to have voted for Senator McConnell's resolution commending America's Armed Forces. It is right for us to thank our troops for their service. It is right to thank military families for their sacrifice. It is right to

thank great organizations like the USO for their support to our men and women in uniform.

However, I am puzzled by some of the findings in the McConnell amendment.

We were all told last year that Iraq had weapons of mass destruction and was ready to use them. Well, the jury is still out on that. But press reports suggest that Dr. Kay's team has not yet found any actual weapons. So I am not sure it is accurate to say the war ended Iraq's WMD programs.

The Bush administration now acknowledges that there is no evidence of ties between Saddam Hussein's regime and al-Qaida and the September 11 attacks. Yet the amendment seems to combine Operation Enduring Freedom in Afghanistan and Operation Iraqi Freedom as "two campaigns in the Global War on Terrorism." I am not sure what "terrorist infrastructure" was destroyed in Iraq. Some reports indicate the terrorist presence in Iraq has actually increased since the collapse of Saddam Hussein's brutal regime.

I just don't want anyone to think my vote means I agree with every word of this amendment. I voted for the McConnell amendment because I absolutely stand behind our troops and their families.

Mrs. LINCOLN. Mr. President, I will vote in favor of Senator McConnell's sense of the Senate amendment because it expressed strong support for our Nation's armed services and their success in accomplishing the important mission to overthrow the regime of Saddam Hussein. I am especially proud of the men and women in uniform from Arkansas who represent the best and brightest our country has to offer. It is vital that we continue to support our troops in every way we can, as they continue to come under attack in Iraq.

As Congress continues debate on this legislation and related bills in the future, I believe we in Congress have a responsibility to exercise careful oversight of the administration's plan to rebuild Iraq and to ask tough questions about specific plans, objectives, and results to ensure our mission is accomplished. To that end, we must realistically assess the United States efforts in the war on terror. While the dedication and efficiency of the men and women who comprise our military is unparalleled, recent difficulties in Iraq demonstrate that there is much work left to be done.

Mr. HOLLINGS. Mr. President, there is no question that I, along with every Member of this body, support the troops. But with respect to the amendment proposed by the Senator from Kentucky, the majority ought to be ashamed for wasting the Senate's time with this political booby trap.

The amendment states that Saddam was a threat to our national security. He was not. We had him contained in the north and the south with overflights, and had the weapons inspectors

back in doing their work in Iraq. The amendment states that the United States pursued sustained diplomatic, political, and economic efforts to remove the so-called threat peacefully. That is wrong. We said to the United Nations, "Get out of the way. You're irrelevant." We said to the international community, "You're either with us or against us." Before we removed Saddam, we removed Hans Blix. The amendment says we eliminated terrorist infrastructure in Afghanistan and Iraq. Just read the morning paper and you will know that is not true. They have plenty of terrorist infrastructure, and they are killing our soldiers every day.

As I have said many times before, the majority is only interested in the needs of the campaign, not the needs of the country. We have serious work to do, and they are playing political games. If we really supported our troops, we would pay for this war. Instead, we are telling our troops that they not only have to fight the war, they have to come home and pay for it, too.

Mr. REID. I say to my friend from Kentucky, if the Senator yields back his time, we will yield back our time and go to a vote on this matter.

Mr. MCCONNELL. I yield the remainder of my time.

Mr. REID. We yield the time on our side.

The ACTING PRESIDENT pro tempore. All time has been yielded back.

Mr. REID. I ask for the yeas and nays.

The ACTING PRESIDENT pro tempore. Is there a sufficient second? There is a sufficient second.

The question is on agreeing to the amendment (No. 1795), as modified. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. REID. I announce that the Senator from Florida (Mr. GRAHAM) is necessarily absent.

The ACTING PRESIDENT pro tempore. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 98, nays 1, as follows:

[Rollcall Vote No. 372 Leg.]

YEAS—98

Akaka	Collins	Hagel
Alexander	Conrad	Harkin
Allard	Cornyn	Hatch
Allen	Corzine	Hutchison
Baucus	Craig	Inhofe
Bayh	Crapo	Inouye
Bennett	Daschle	Jeffords
Biden	Dayton	Johnson
Bingaman	DeWine	Kennedy
Bond	Dodd	Kerry
Boxer	Dole	Kohl
Breaux	Domenici	Kyl
Brownback	Dorgan	Landrieu
Bunning	Durbin	Lautenberg
Burns	Edwards	Leahy
Byrd	Ensign	Levin
Campbell	Enzi	Lieberman
Cantwell	Feingold	Lincoln
Carper	Feinstein	Lott
Chafee	Fitzgerald	Lugar
Chambliss	Frist	McCain
Clinton	Graham (SC)	McConnell
Cochran	Grassley	Mikulski
Coleman	Gregg	Miller

Murkowski	Rockefeller	Stabenow
Murray	Santorum	Stevens
Nelson (FL)	Sarbanes	Sununu
Nelson (NE)	Schumer	Talent
Nickles	Sessions	Thomas
Pryor	Shelby	Voinovich
Reed	Smith	Warner
Reid	Snowe	Wyden
Roberts	Specter	

NAYS—1

Hollings

NOT VOTING—1

Graham (FL)

The amendment (No. 1795), as modified, was agreed to.

Mr. REID. I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BIDEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

AMENDMENT NO. 1796, AS MODIFIED

Mr. BIDEN. Mr. President, I send a modification of my amendment, No. 1796, to the desk.

The ACTING PRESIDENT pro tempore. The amendment is so modified.

The amendment, as modified, is as follows:

At the end of title III, add the following:

SEC. ____ (a) PROVISION OF FUNDS FOR SECURITY AND STABILIZATION OF IRAQ THROUGH PARTIAL SUSPENSION OF REDUCTIONS IN HIGHEST INCOME TAX RATE FOR INDIVIDUAL TAXPAYERS.—The table contained in paragraph (2) of section 1(i) of the Internal Revenue Code of 1986 (relating to (relating to reductions in rates after June 30, 2001) is amended to read as follows:

"In the case of taxable years beginning during calendar year:	The corresponding percentages shall be substituted for the following percentages:			
	28%	31%	36%	39.6%
2001	27.5%	30.5%	35.5%	39.1%
2002	27.0%	30.0%	35.0%	38.6%
2003 and 2004	25.0%	28.0%	33.0%	35.0%
2005 and thereafter	25.0%	28.0%	33.0%	38.2%".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2004.

(c) APPLICATION OF EGTRRA SUNSET TO THIS SECTION.—The amendment made by this section shall be subject to title IX of the Economic Growth and Tax Relief Reconciliation Act of 2001 to the same extent and in the same manner as the provision of such Act to which such amendment relates.

Mr. REID. Will the Senator yield?

Mr. BIDEN. I am happy to yield.

Mr. REID. We have spoken to the chief sponsors of this amendment, Senators BIDEN and KERRY. There is a tentative agreement on our side as to how much time will be used. The floor staffs are working now to see if we can enter into an agreement in the next little bit. In the meantime, rather than waste valuable floor time, Senator BIDEN is going to begin his debate.

The ACTING PRESIDENT pro tempore. The Senator from Delaware.

Mr. BIDEN. Mr. President, I am prepared to enter into a time agreement.

In the meantime, rather than waste time, let me begin to discuss my amendment.

We had a debate yesterday, an opening debate about whether we should be moving forward with this legislation for \$87 billion to fund the war. Again, for those who may be listening, I want to state where I, as they say in the vernacular, come from on this score.

I have been one among many, from Senator REED, former West Point graduate, an Army officer, a U.S. Senator, to JOHN MCCAIN, to CHUCK HAGEL, on both sides of the aisle, among those who have said that our biggest problem is we have not, quite frankly, devoted sufficient resources in a timely way to winning the peace in Iraq. So I began from the premise that there is no doubt we have to spend billions of more dollars. There is no doubt we have to keep in Iraq tens of thousands of American troops for some time. As a matter of fact, I said that as long ago as July of 2002.

I approach this thing from the perspective of one who thinks we must do more. I have several basic problems with the approach we are taking. I know the Presiding Officer and I had a very brief conversation about this. He made reference yesterday to me, that I was somewhat exercised in my presentation yesterday. I was. I am, because I think there is such a gigantic opportunity here to enhance the security interests of the United States.

So, again, the reason I bother to say this is, I think there are two serious problems with the approach the President is taking now relative to this \$87 billion. One is, I think that after examination—and I will have several more amendments before this debate is over—I think there is some padding in this reconstruction money.

I am one who believes you cannot bring security to Iraq without bringing basic services to Iraq. I think there is a direct and immediate correlation. Those who say you can separate support for the military and reconstruction money either have not been to Iraq or don't think we should be in Iraq or, with all due respect, don't understand the dynamics.

The degree to which clean water doesn't flow, the degree to which young women are being raped in the streets, the degree to which police officers are afraid to go to their stations and do their job, the degree to which the electric lights do not go on, the degree to which the oil pipelines are blown up, there is a direct correlation between that and the danger posed to our troops, the danger posed to our being able to preserve the peace or bring about or win the peace. So I don't make that dichotomy between reconstruction moneys and moneys relating to "supporting our troops."

Reconstruction money will support our troops. It supports our troops. My disagreement with the President is that—I am not talking about past disagreements and mistakes made or not

made, in my view, just from this moment on—I think if you look at the reconstruction funds, some of it is—maybe not intentionally—inflated.

For example, there is a provision in there for x number of pickup trucks. We were not talking about Humvees or military vehicles. They need pickup trucks. The government needs them for basic, mundane purposes. Well, in the authorization here, we are going to pay \$32,000 for a pickup truck. I can take them to a nice Chrysler plant in my State and get them for \$18,000.

We are also talking about building prison cells. I spent some time, along with my friend, Senator LUGAR, and my friend, Senator HAGEL, out at the police training academy in Baghdad, and we talked to—I might add, we have a first-class team there. These are serious guys. These guys know their way around. They have been in Bosnia, Kosovo, and Afghanistan, and they understand this. There is money in here that comes to \$50,000 per prison cell. We need to build prisons. There are no functioning prisons in Iraq. We have to build them.

By the way, the guy running our prison operation there, when asked how long it would take if he had all the resources he needed, he said it would take a couple years to get a prison system up and running.

But that is not the point. We are going to pay \$55,000 per bed in an Iraqi prison. We pay half that here in the United States of America. We are in a country, I might add, where the building specs and requirements are less than they are here. So I think we have to be responsible and take a look at the details of this.

So my first concern is about whether or not the money is being efficaciously allocated. That is a responsibility of oversight that we have. That is our job. We can do it in a timely way and we will get this finished within a week or so and get it done. That is the first concern I have, in a practical sense, on what we are going to do on the floor.

The second concern is my monumental concern. My friend from Utah—and we say that lightly, but he really is my friend—a conservative Republican—and for those of you who think none of us get along around here, we have very different views, but we are close friends. I can say to him that my biggest problem is how we pay for this. That is what I want to talk about right now because that is the second significant element of my concern on the immediate question before us: Do we appropriate or authorize to be appropriated \$87 billion or do we appropriate \$87 billion for this effort? I want to speak to that. That is what my amendment is about. That is what is before the Senate now.

At the outset, the first fellow with whom I spoke about this, the guy whose brainchild it was, along with me, is my friend from Massachusetts, JOHN KERRY. As a matter of fact, immediately after my floating this idea on

one of the national shows—“Meet The Press,” or whatever it was—I immediately got a call from Senator KERRY saying he had been thinking along the same lines and could we work together to do this. This is a joint effort, and we are joined by Senator FEINSTEIN, who feels strongly about it, and a number of others.

I wish to acknowledge at the front end here how we got to this point. I wish to explain the modification I sent to the desk and go into the details of why I think this is an important and necessary and responsible amendment. Again, remember, this is not coming from a guy who didn't support the war, who won't support the funding; it is coming from a guy who thinks we are going to have to come up with this \$87 billion, but we are going to have to come up with billions more. I wish the President would be as straightforward. This is a downpayment; this isn't the end of the road.

Now, initially, I had an amendment because I didn't have the detailed numbers from the Joint Tax Committee, the Finance Committee, and from outside experts, such as Brookings and Citizens For Fair Taxation and the like, because it takes a while to run these numbers. So, initially, we had put in an amendment that said we would authorize—which is constitutional—or direct the head of the IRS to find this \$87 billion from a specific category of taxpayers. We now have hard numbers. The hard numbers are very straightforward.

In order to pay now for the \$87 billion we are about to appropriate, we are proposing that the tax rate for the wealthiest Americans, which has dropped this year from above 39 percent down to 35 percent—and I am not arguing about that—and in order to find \$87 billion to pay for this, we would have to go back under our formula to that roughly 1 percent of the taxpayers—actually, the top bracket is less than 1 percent of the taxpayers—and say to them your tax rate is going to go back up in the years 2005, 2006, 2007, 2008, 2009, and 2010 to 38.2 percent. So that is what I sent up to the desk. It was a detail that wasn't in my original amendment because we didn't have it from Joint Tax. We didn't have it laid out. So that is a brief explanation of the modification.

Now, let's go back and review the bidding here if we can. First, we can pay for this supplemental several ways. One, we can pay for it, as the President has suggested, by increasing the deficit. If this is added to the projected deficit for 2004, the deficit for 2004 will rise to \$567 billion for that one year—next year. If we do not add it to the deficit, the projected deficit at this moment would be down, obviously, around \$480 billion—still a gigantic amount but \$87 billion less. The reason I am so opposed to doing that is on equitable grounds and grounds of economic recovery. On equitable grounds—and I know this sounds a lit-

tle political the way I am going to say this, but it is factually accurate—on equitable grounds, we, the grownups in this Chamber—and the average age here is probably roughly 50, I would say—we are going to be asking these young pages walking down the aisle to pay this bill. Literally, we are going to ask them to pay. We are not going to pay. If we can't do it my way, they pay. The President—I quoted him yesterday—in his last State of the Union Address said we are not going to pass on these debts and problems—at the end, I will actually give an exact quote—basically he said we are not going to pass these responsibilities to fight terror and to pay for it on to other generations. That is exactly what we are doing here.

For those of you who think that may not be a very compelling argument and those of you who voted for the tax cut because you wanted to spur economic recovery—a legitimate argument; I disagree with the way it is formulated and voted against it but a legitimate argument—look at what is happening now: As the deficit has been projected to be 480, or thereabouts—and the Presiding Officer and my friend from Utah and my two colleagues from California and Massachusetts know more about this than I do—what has happened? Long-term rates have already begun to rise. What does the market say? Why are long-term interest rates rising? Because of the projected deficits. That is a fact. They are already rising.

I respectfully suggest that taking \$87 billion out of a 10-year tax cut of \$1.8 trillion has no impact—none—on economic recovery, particularly since it is taken out over a 6-year period in small increments beginning in 2005. But if you are worried about the impact on the economy and the ability to sustain a recovery, you better be looking at the debt.

I would argue that from a principle of equity, as well as sound economic principles related to the recovery, adding this \$87 billion to the already gargantuan projected deficit—and it will be higher, by the way, because that does not even count prescription drugs, that does not count the other initiatives the President says we are going to do and Democrats say they want to do, it does not even count those programs yet, so we know it is going to be a heck of a lot higher—but to add \$87 billion on top of that can do nothing but jeopardize a long-term recovery.

The second way we can pay for this, which is very popular—and I am sort of the skunk at the family picnic on this on my side of the aisle—is to let the Iraqis pay for it. Some are saying the Iraqis have the second largest oil reserves in the world. Some of my Republican friends are proposing this as well.

For example, we have a flooded home. We have a very competent county executive dealing with this, and he says if we can pay for Iraq, the Federal Government can pay for this. That is really compelling. I tell you what, I am

kind of glad I am not running this year because I am going to oppose it. To the average person and the above average person, this just seems fair.

We hear people saying on the floor: If they had gold reserves of X amount, we would indemnify ourselves; they have gold in the ground, black gold. That is a very compelling case, except, as my mother would say—God love her, and she is probably listening, so, mom, forgive me if I get it wrong—she always used to say when I was young: JOEY, don't bite your nose off to spite your face. If we do that, we will be, figuratively speaking, biting our nose off to spite our face.

Why? There are other countries around the world—in the Arab world, the European world, Russia, other countries—that are owed almost \$200 billion by Iraq, some say as high as \$300 billion. Some of that is direct loan payments; some is indemnification for the damage done by Saddam when he invaded Kuwait, and so on.

What are we doing? We can either choose the World War I model or the World War II model for a defeated nation. After World War I, we said: Germany, this is all your fault. We want you to have a democracy, but, by the way, in the meantime, pay off all these reparations, making it virtually impossible—how many of us in grade school and college saw that one cartoon that was in every single history book: A German lady in a babushka carrying a wheelbarrow of deutsche marks to the butcher shop.

I bet every one of you can remember that. It was in every textbook in America. Why? It produced a little guy named Hitler to prey upon all of the anger, all of the prejudice, all the furor of the German people.

Who thinks we can possibly establish a democracy in a country which, I might add, has no history of any democratic institutions and was never a country until 1919—who thinks we can establish a democracy there saying, by the way, start off, folks, but before you do anything, before you spend that \$35 billion to redo your oil fields, before you spend the money to do this or that, pay off the \$200 billion, \$300 billion in debt?

The President has been dead right. The President has been saying and the Secretary of State has been saying we have to convince these other nations to forgive that debt and write it off, as we did. Write it off.

On top of that, what did the President say at the United Nations? Not well enough, in my view, with all due respect, but what did he say? He said: United Nations, this is the world's problem. This is your problem. Send money and send troops. Every one of us here are hoping that Powell is very successful with a thing called the donors conference that is coming up this month. We are going to be sitting down with other nations of the world and saying: By the way, can you guys ante in? We have roughly in the whole re-

gion close to 200,000 troops, and we have already spent \$78 billion, and we are going to spend another \$87 billion. Can you kick in some money to rebuild this country? Oh, and by the way, we want you to forgive the debt you are owed. We want you to kick in money. We are not going to indemnify any of your money, but, by the way, the \$20 billion we put in for reconstruction, we have a claim against Iraqi oil.

We are all intelligent people in this Chamber. We may be able to indemnify this money, but we will have no Iraq to collect it from. There will be nobody to collect it from because if this debt is not forgiven and if more people do not get in the game, there is not going to be peace in Iraq. It is not going to happen, and that is what I meant when I said, as unpopular as it is, my dear old mom—mom, if you are listening, you are right—we are about to bite our nose off to spite our face. That is the second way we can do it, and I think it is a disaster to do it that way.

There is a third way we can pay for this \$87 billion. We can say a very uncharacteristic thing around here: We are going to pay for it, and we are going to pay for it now. We are not going to use our credit card; we are going to do it now.

As Don Rumsfeld said, yes, this is a lot of money, but, yes, we have the ability to pay for it, and he is dead right. Old Don, I want to take a little bit of your money to pay for it. You are a 1 percenter, and God bless you, let's pay for it.

OK, how do we pay for it? We can cut more programs.

As some have suggested, we can make college loans more expensive. That saves the Government money. We can do as some have suggested and cut across the board the income tax break we gave everybody. But guess what. Poor folks and middle-class folks are already paying for Iraq. It is their kids who are in Iraq. It is their kids in the National Guard. It is their kids in the Regular Army. It is their kids who are already there.

Guess who is getting hurt most by this unemployed recovery. Middle-class and poor folks. I think the middle-class folks need a tax break, and so I think it would be unequitable and unfair to go back now and say, by the way, you middle-class folks, you pay; you poor folks, you pay. We have already decided the poor folks cannot get an earned income tax credit for their kids, a child tax credit, which is a travesty. But now we are going to raise their taxes slightly or reduce the tax cut?

So it seems to me there is a group of people who are as patriotic as the poorest among us, the wealthy people. The thing I do not like about politics is we all have a tendency to slip into—and I can honestly say I have never done this in 33 years of holding office—class warfare. The idea that because someone is a multimillionaire they are not as patriotic as somebody who is making 25,000 bucks a year is a lie. The

wealthiest among us are as patriotic as any other group of people in America.

I come from Delaware, a relatively wealthy State. I tried in two fora in my State, and this is literally true, among some of the wealthiest people in my State—in my State we can get them all together pretty quickly. I am not being facetious about that. I mean that sincerely. I asked the question at one gathering—both were social gatherings. The first was a group of about 35 or 40 people, and I do not know this for a fact, but I think all of them were clearly in the top 1 percent tax bracket. The way the conversation started was they said to me: You know, JOE, what is going on in Iraq? What about this? What about that? It was a cocktail party at the home of a partner in a major law firm. It was on a Sunday evening.

I said: Let me ask you all a question. My friend from California knows when two people ask a question and you start to answer it, it ends up with four people there and then 10 people there, and all of a sudden you have a mini-press conference and there are 20 people. That is what happened at this cocktail party on someone's patio.

I said: Let me ask you this question: would anybody here object if the President, when he addressed the Nation about the \$87 billion, had said—and I want to ask the wealthiest among you, the top 1 percent of the taxpayers in America—give up 1 year of the 10 years of your tax cut in order to help prosecute this war against terror and sustain the peace in Iraq, would any one of you object to that?

Obviously, that is a little peer pressure I put on them, but not a single person said they would object. Beyond that, it started a discussion. I just sat there and listened. They said, of course, that is the right thing to do. Of course, we should do this. Of course, of course, of course.

Then I tried it again at one of the most upscale country clubs in my State. I was playing in a charitable golf tournament, and there was the same thing.

I think the President and many of my colleagues underestimate the American character. I truly believe they underestimate Americans. I do not know of any wealthy American who, given the realistic options we have to pay for this, would say, hey, look, if I am going to give up 1 year of the \$690 billion the 1 percent is going to get, I want that guy making 25 percent of what I make, I want that guy making 10 percent of what I make to give up one year, too.

Do any of my colleagues believe that is what they would say? I do not believe it. And this is not politics. This is not my playing a game. I do not believe it. This is something that not only is the right thing to do, the people whom you are asking to do it believe it is the right thing to do.

I stated on the floor before and I said at home, I would ask any wealthy Delawarean in my State, which we will get

to the numbers, who makes \$400,000 in gross income, to call me at my office and tell me they are not willing to give up \$2,100 a year for 6 years of their tax cut, because that is what it comes to. I am inviting them to call me. I promise I will report to my colleagues all those who call me.

The point is, these are patriotic Americans. They know we have our hands full. They know the deal. So that is the third way we can do this.

How does it practically work, and then I am going to yield to my friend from Massachusetts.

Mr. BENNETT. Will the Senator yield?

Mr. BIDEN. I will be delighted to.

Mr. BENNETT. I am listening with great interest. I agree with much of what the Senator said, but before the Senator from Massachusetts gives a major speech I would like the opportunity to engage in a colloquy.

Mr. BIDEN. Sure, but first let me make one last point so we have the facts out.

Mr. BENNETT. I would ask the Senator to make his point and then I would appreciate it if we could do that.

Mr. BIDEN. I would be happy to.

Let me be straight about exactly what this amendment would do. People whose tax bracket up until this year was 39.6 percent, having had it drop down to 35 percent—so there is no false advertising here, the Biden-Kerry-Feinstein-Chafee, et cetera, amendment would raise, beginning in 2005, their tax bracket back up to 38.2 percent, still a percentage point and a half less than it was a year ago but 2 point something percent higher than it is today. That is what it would do.

By the way, I will tell my colleagues who these folks are. People who pay at the top rate have an average income—well, it is unfair to average. As Samuel Clemens, or rather Mark Twain, said, all generalizations are false, including this one. So I want to be completely straight about this. The average income in that top 1 percent is \$1 million a year. At a minimum, people who would be affected by this have to have an income, before standard deductions and exemptions, of over \$400,000 in gross income. Others will fall into this category if their taxable income after deductions is over \$312,000. But that is after; that is net. That is taxable income. OK.

So we have the picture where people—the way I am told by the Joint Tax Committee, by Brookings and others, we may find an exception to this, but there is nobody making \$400,000 a year gross who does not have standard deductions and exemptions. By the way, this does not impact on their capital gains, which is taxed at a different rate. This does not impact on the dividend exemptions or change the rate at all. That is still theirs. We do not touch that at all. This is just a straight tax of those who now fall within the 35 percent bracket.

So I am told by all the experts—and this is not my expertise. To the extent

I have one, I think it is more on the Constitution and foreign policy, and I am not suggesting I have one, but it is surely not here. I have tried to get the best information from as many sources. So we are talking about the incomes of people in the top bracket who are—by the way, if one is in the top bracket now they are in the less than 1 percent bracket, they are about .7 of 1 percent of the income earners in America. One percent is slightly bigger than those who fall within the 35-percent tax bracket right now. But if you overlap, as Dr. Green tells it, if you overlap the two circles, they are almost exactly the same. There is some variation, but I can only go by the numbers provided by the IRS, and the models provided by them, and by our Joint Tax Committee.

So the bottom line is this: The people in the top 1 percent—slightly more, by the way, than the people in the 35-percent tax bracket now—those people, over the period of this entire tax cut, will receive \$688.9 billion in tax reduction from what they were paying before the tax cut. What this does is it takes \$87 billion of that amount, leaving them with a present and future tax cut of \$600 billion, as opposed to \$688.9 billion.

This is to put it in perspective. Fully 80 percent of their fellow Americans, in the first four quintiles—you know how they divide this up. They divide it up into the first, second, third, fourth, and the fifth is the 1 percent. In other words, all other Americans, the 99 percent of the other Americans who pay taxes get a cumulative tax cut, in the first—they will get cumulative tax cuts of \$599 billion. All right? So you have the top 1 percent who will still get \$600 billion, which will be \$1 billion more than every other American combined will get in a tax cut.

Let me be precise. I may have misspoken. That is not true. The first four—than 80 percent of the American people will get.

Now, again, this is not an attack on the tax cut. I didn't like the tax cut, and I won't talk about that. But what Senator KERRY and I are trying to do takes away less than 5 percent of the \$1.8 trillion in tax cuts that this tax cut bill provides. Again, it is not an attack on those at the highest income. It still leaves them \$600 billion in tax cuts.

There is a lot more for me to say, but I will yield now to my friend from Utah for that colloquy.

Mr. BENNETT. I thank the Senator from Delaware not only for his courtesy and friendship, which is reciprocated and, as he has said on the Senate floor, is genuine and real, but I thank him for the clear manner in which he has described this whole situation. I agree absolutely with the overall conclusion that he has come to with respect to loans versus grants. I am running this year, and I am going to have to defend the grant situation, but I am perfectly willing to do so for all

the reasons which the Senator from Delaware has outlined.

But there are a few comments I would like to make in the spirit of our friendship and the seriousness with which the Senator from Delaware has approached this issue—at random. The Senator from Delaware is often at random so he can understand.

The references to the Marshall plan and the difference between World War I and World War II are accurate, but I would like to just add one factoid.

Mr. BIDEN. If the Senator will yield, I want to make it clear I did not reference the Marshall plan. I referenced the philosophy. I think we have overworked the Marshall plan analogy.

Mr. BENNETT. I agree with the Senator we have overworked it and I want to back away from it with this fact. The country that received the most money in the Marshall plan was Great Britain. It was not rebuilding destroyed countries, destroyed by virtue of our actions in the war. It was rebuilding Europe that was exhausted by the struggle that really began in the First World War and never ended. I think that is the appropriate analogy here.

I do not view Iraq as a defeated nation. I view Iraq as a victorious nation that has won a struggle of almost four decades in length with our help.

Mr. BIDEN. If the Senator will yield, I agree with that premise. I am not making the case they are a defeated nation.

Mr. BENNETT. The Senator used the phrase "defeated nation." I think it is, in fact, a victorious nation but an exhausted one by virtue of the 40-year struggle. The grant we are talking about here is essential to come back from that 40-year experience.

The second random point: I listened to the Senator's comments about the deficit. All I know, both before I came here and in the relatively brief period of time I have been here, is that no matter what figure we use with respect to the deficit in the future, it is wrong. I don't know whether it is too high, and I don't know whether it is too low, but I do know one thing for sure, it is wrong.

Mr. BIDEN. Will the Senator yield on that point? The Senator will agree, though, that whatever it is will be \$87 billion higher if we don't pay for it.

Mr. BENNETT. No. No. I will not because the deficit is a function of the vitality of the economy. If the economy is stronger than the computers at CBO are currently saying it is, the deficit could disappear and we could have the whole \$87 billion.

I am not saying that we will because I don't know.

Mr. BIDEN. If the Senator will yield on that point, if the Senator thinks there is any possibility of the entire deficit disappearing through economic growth in the next several years, then I think he and I should have a talk now because the Senate physician is down the hall here and we ought to go have

a little visit with him. I know he doesn't seriously mean that.

Mr. BENNETT. I think the possibility is extremely, extremely small.

Mr. BIDEN. I believe in miracles, too. I am a Catholic. I believe in miracles.

Mr. BENNETT. I do, however, know that over 50 percent of the shortfall in the projected surplus that we were talking about at the time we started, in 2001, is due not to the tax cut and not to increased spending but to the downturn in the economy. If the economy should come back to be as strong as it was before—and there are signs that it is recovering nicely now—that 50 percent could be recovered.

So, no, I agree that we will not remove the deficit, but I think it is an inaccurate statement to say it will be exactly the \$87 billion.

We do that around here and it frustrates me as a former businessman. It frustrates me as a legislator. We are constantly taking the latest numbers from CBO and assuming that they are cast in stone. Then 3 months later, when we get the next set of numbers that completely contradict the earlier ones, we say: Oh, these are the true numbers, and we go on and on. I am not arguing with the Senator's general direction, but I wanted to be a little careful in the specificity with which he outlines this.

Let me get to the heart of the issue that I have with the proposal the Senator is making. I hope I can do this without being too arcane, and I hope I can do it quickly because I recognize I am on the Senator's time and I again thank him for his courtesy.

Mr. BIDEN. May I ask, there is no time agreement right now; is that correct?

THE PRESIDING OFFICER (Ms. MURKOWSKI). That is correct.

Mr. BIDEN. So the Senator is entitled to have it on his time.

Mr. BENNETT. I thank the Senator. I think his experience at his cocktail party is one that would be repeated by every one of us if we were to gather people of that kind of income in any one of our States. So why don't we all join with the Senator from Delaware? Why am I not saying I agree with him?

If I may illustrate the reasons with a personal example, not all of the tax returns that are filed and that are in the statistical sample the Senator described represent income to individuals. I do not know the current number. I would have looked it up if I had known I was going to get in this exchange. But other numbers have said 75 percent, 80 percent, or some very high figure of percentage of those tax returns that show \$400,000 in gross income are, in fact, not income to the individual. Let me give you my personal example to illustrate this.

Before I came to the Senate, I was CEO of a company that was an S corporation. S corporations as opposed to C corporations are exactly the same thing except for the way they are taxed. The "S" refers to that section of

the Tax Code that is appropriate and "C" refers to that section of the Tax Code that is appropriate. In an S corporation, the earnings of the company flow through to the shareholders and are reported on the shareholders' personal tax returns. Therefore, they show up as income to the individual.

I will again use myself as the example. I was the CEO of this company. I was earning \$140,000 a year as the CEO of the company. The company started to do really very well. It was growing very rapidly. Sales were more than doubling every year. We were bringing on new people. We were building new buildings. We needed every dime of capital we could put our hands on. Fortunately for us, we were doing this during what the New York Times called "The Decade of Greed;" that is, when the top marginal tax rate was 28 percent.

By putting the income of the company on my personal tax return and those of the other shareholders, the company was paying an effective rate of 28 percent which meant we got to keep 72 cents out of every dollar we earned to finance the growth of that company. We created that company with internally generated funds. We didn't do it by going to the stock market. We didn't do it by going to the banks. Of course, we had a line of credit at the bank. But it was not part of our capital. That meant one of the last years before I left the company and decided to run for the Senate, my compensation from the company was \$140,000.

Let us go through these numbers.

My compensation from the company was \$140,000. My share of the company's profits which was reported on my 1040 was \$1 million. As far as the IRS was concerned, I was a very rich man who was earning \$1.14 million a year. All I got was \$140,000. The rest of it, while reported on my tax return, was kept in the company to pay for the growth of the company.

Mr. KERRY. Mr. President, will the Senator yield for a question?

Mr. BENNETT. I am happy to yield to the Senator.

Mr. KERRY. Isn't it accurate that because it was a subchapter S corporation all of the deductions also flowed through to you? Isn't it accurate? All the deductions flowed through you?

Mr. BENNETT. Of course. The net amount I reported after the deductions was \$1 million. So as far as the IRS was concerned, my income was \$1.14 million. Under the Tax Code, the deductions to which the Senator from Delaware referred that go to people in these categories were all wiped out by the \$1 million. All of my credits, all of my deductions—everything was wiped out.

If we were to take the numbers the Senator from Delaware was talking about, and say, OK, you have someone with a \$400,000 gross income, and that means his after-tax income is \$312,000 because of the standard deduction, if he has a chunk of 401-K income on this

from either an S corporation or an LLC corporation, or a partnership, all of those standard deductions go away very quickly as the number goes up.

The point of this is not to argue one way or the other about how the tax structure is; it is to say the Senator is inadvertently targeting a large number of small businesses where profits and growth money are being reported on individual returns rather than through corporate returns. The S corporations were made substantially worse after the Reagan years because of the summit at Andrews Air Force Base, and then what was done with the Clinton tax increases.

There are not as many people using the S corporations as there used to be because the advantage is not as great. But there is a still a very substantial amount of small business income that will be hit by the Senator's amendment. We are not just talking about Donald Trump and Jennifer Lopez. We are not talking about Michael Jordan. We are talking about people who are building businesses for whom \$400,000 a year for the income of the business is a demonstration of a struggle. It is not a demonstration of the kind of opulence you find at the Delaware country club. It is survival. We didn't get to the point with the business I have described where we felt comfortable in cash flow until our earnings were well into the \$10 million, \$12 million, or \$15 million area because of the demand for capital.

Mr. BIDEN. Mr. President, will the Senator yield?

Mr. BENNETT. I would be happy to.

Mr. BIDEN. We are trying to get this agreement. As a practical matter, this will come out of my time. I think the Senator has made his point.

Let me make a macroeconomic point and let some of my other colleagues respond as well. With regard to the small businesses, small business owners can still happen to be among the top 1 percent income earners. Only 2 percent of the small business owners fall into that bracket, a number which includes a lot of people who have passive participation with investment income in small business. These are not hands-on, mom-and-pop businesses. If you look at the sole proprietorships, those of hands-on owners, less than 2 percent are paying the 35 percent bracket. Therefore, 98 percent of the small business owners will not be affected by this proposal, as I understand from staff.

I will get back to this in our discussion. But I want to yield to my friend from Massachusetts because we are about to enter into a time agreement. I didn't realize we were running the time before the agreement is made. At any rate, I will reserve the remainder of the time while we are trying to work this out.

To respond to my friend, I understand his point. The bottom line is no matter how you cut it, this is affecting an incredibly small number of people for an incredibly important undertaking and the alternatives are worse

by a long shot, in my view, that any negative impact in any sector in any way would come from this amendment. I yield the floor.

Mr. REID. Madam President, we are moments away from offering a unanimous consent request. I don't know who is going to get the floor next, but whoever gets the floor, I ask if Senators will allow an interruption for the unanimous consent request. It should be coming in a matter of a couple of minutes.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KERRY. Madam President, thank you very much. I will proceed until such time as the unanimous consent request is put into effect.

I listened carefully to the comments of the Senator from Delaware, and obviously the Senator from Utah. I think the comments of the Senator from Utah do not really change the equation at all because the real question here is, Why is America being asked to pay this \$87 billion? What is the context within which the average citizen of America, the average taxpayer is now being told, Whoops, we have a whole different situation here. We have to pay \$87 billion in addition to the \$79 billion Americans have already invested in the war to date.

Most Americans think this is sort of the bill for the war. It is not. We are well over \$160 billion or \$170 billion already once you add the \$87 billion, and most people believe it is going to go beyond that.

The question is, What is the fair distribution of this burden in the overall context of our economy to the average taxpayer of America? Is it right for President Bush and for the Republicans to be asking America to give an enormous tax cut to the wealthiest of Americans and spend the \$87 billion, which also adds to the deficit for this year?

No one will come to the Senate and say the \$500 billion deficit we are facing next year is going to be wiped out by growth in the economy when we are not even adding jobs in the growth to the economy today.

I yield to the Senator.

Mr. BENNETT. Madam President, I ask unanimous consent that a vote in relation to the pending Biden amendment occur at 3:15 p.m. today with no amendment in order to the amendment prior to the vote, provided the debate before the vote be 30 minutes under the control of the Republican side and the remaining time under the Democratic leader or his designee.

Mr. REID. I ask that the Senator allow the consent to be modified, as follows: Senator BIDEN be recognized for 30 minutes, within the time allocated to us; Senator KENNEDY for 15 minutes; Senator KERRY for 20 minutes; Senator KOHL for 5 minutes; Senator CLINTON for 10 minutes; Senator CONRAD for 15 minutes; Senator Jack Reed for 5 minutes; Senator DURBIN for 5 minutes; Senator FEINSTEIN for 10

minutes; Senator JOHNSON for 5 minutes; Senator CARPER for 5 minutes; and if there is any time remaining, it would be under the control of the Senator from Delaware.

Mrs. FEINSTEIN. Reserving the right to object, I ask that this be amended, since I have been waiting, so that I follow Senator KERRY for my time.

Mr. REID. I think that is appropriate. And Senator BUNNING will follow Senator FEINSTEIN.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Massachusetts.

Mr. KERRY. The question we ought to be asking is, What is the right thing to do that is in keeping with the values of America? We have the worst economy we have had, the worst jobs economy since Herbert Hoover was President of the United States; 3.1 million Americans have lost their jobs, 2.7 million manufacturing jobs have been lost. All across America, people are watching outsourcing taking place as jobs are going to China, India, and other countries. They are not being replaced. We just picked up the newspapers a couple of days ago and saw that 2 million Americans have lost their health insurance retirement, it has been blown away for countless numbers of Americans. Health care has been lost for 2 million Americans. Governors across the country are raising taxes and cutting services. Infrastructure investments are being deferred.

What the Republicans and the President are asking is that we take another \$87 billion and still keep a tax cut for the wealthiest people in our country who are doing the best, who are already the most comfortable, who are perfectly prepared to do their part to sacrifice, to contribute, not to grow the deficit—indeed, to relieve some of the financial pressure of this country, literally, to make things more fair in America.

What this is about is called fundamental fairness. Fairness. It is not about class warfare. This is not about redistribution. Is it fair in America to suggest that you can add to the deficit—which it will this year—to suggest all of the figures of this administration, which have been wrong, can be wiped away on the backs of the average American so that the wealthiest people in the country can keep their tax cut? That is the question. It is a pretty simple fundamental question.

If others want to come to the Senate and defend the notion, it is absolutely OK to be misled, to have major players in the administration tell us, it is only going to cost \$50 billion; it will come out of the Iraqi oil; don't worry about it. And every one of those promises have been wiped away and left in tatters across this country.

Americans are angry about this. What is the Senate going to do? Stand here and defend the proposition that America in its current fiscal condition can support a tax cut for the wealth-

est Americans at the expense of common sense and fairness? That is what this vote is about. That is what this choice is about.

It also is about the fundamental realities of how we got here. Last spring, our fighting men and women swept across the battlefields of Iraq. There is not anyone in the Senate who is not proud of what they accomplished in military terms. Thanks to their courage and their skills, Saddam Hussein and his henchmen are scattered and that brutal regime is no more.

But in the aftermath of that military victory, just as many Members predicted, in the absence of building a coalition, in the absence of doing the diplomacy, in the absence of showing patience and maturity, in the absence of living up to our highest values and standards about how we take a nation to war, we are now in danger of losing the peace.

The clearest symbol of that danger is the target on the backs of young American men and women in Iraq. Today, soldiers in Baghdad fear getting shot simply going out and getting a drink of water. A squad at a checkpoint has to worry whether a station wagon coming at them is a mobile bomb. And troops moving in convoy take RPGs and improvised explosive devices, and we pick up the papers each day and hear the news about three, two, one more young American life lost because we failed to plan to win the peace adequately, we failed to put in place the greatest protection possible for these troops, which is what they are owed.

Now we know Iraq's infrastructure needs to be rebuilt and we face the challenge of forging a new government and giving it legitimacy under circumstances that were entirely predictable and entirely ignored by this administration. We were told by this administration, in their confidence—and, may I add, in their arrogance—that the Iraqis would see us as liberators.

They see us as occupiers—again, something many predicted absent the effort to try to globalize our effort. They see us as a foreign power ruling over their country, preventing self-determination, not providing it. We were told to expect elections and quick transition to self-governance. But now we know those elections may be many months away at best.

None of this was planned or predicted by the President or his war counsel. Eager to rush to war, the administration played down or, worse, ignored the likelihood of resistance. It lowballed the number of forces that would be needed to seize the alleged WMD sites, for which the war was fought, to protect the infrastructure, and underestimated the magnitude of the reconstruction task and the ease with which oil would flow for rebuilding. It refused to tell the American people upfront the long-term costs of winning the peace.

I remember the distinguished former President pro tempore and leader of the Democrats, the Senator from West

Virginia, asking that question penetratingly, repeatedly. Yet those figures given have proven to be false or completely underballed. It refused to tell the American people those long-term costs, and it refused to do the work, to ask the international community to join us in this effort.

It was bad enough to go it alone in the war, but it is inexcusable and incomprehensible that we choose to go it alone in the peace. One of the reasons we are facing \$87 billion is that the administration has stiff-armed the United Nations and has not been willing to bring other nations to this cause through the deftness of their diplomacy, the skill of their diplomacy.

Last year, President Bush had three decisive opportunities to reduce this \$87 billion bill. That first opportunity came when we authorized force. That authorization sent a strong signal about the intentions of the Congress to be united in holding Saddam Hussein accountable. I thought, and still believe, that was the right thing to do. It was appropriate for the United States to help stand up at the United Nations and hold those resolutions accountable. It set the stage for the U.N. resolution that finally led Saddam Hussein to let the weapons inspectors back into Iraq. That was correct.

When I voted to give that authority, I said the arms inspections are "absolutely critical in building international support for our case. That's how you make clear to the world we are contemplating war not for war's sake, but because it may be the ultimate weapons inspections enforcement mechanism."

The Bush administration, impatient to go into battle, stopped the clock on the inspections, against the wishes of key members of the Security Council, and despite the call of many in Congress who had voted to authorize the use of force as the last resort the President said it would be.

Despite his September promise to the United Nations to "work with the UN Security Council to meet our common challenge," President Bush rushed ahead on the basis of what we now know to be dubious, inaccurate, and perhaps even manipulated intelligence.

So the first chance for a true international response that would have reduced this bill, that would have brought other countries to contribute was lost.

Then there was a second opportunity. After the Iraqi people pulled down the statue of Saddam Hussein in the square in Baghdad, there was a moment when British and American forces had proven our military might and the world was prepared to come in and try to assume the responsibility for helping to rebuild Iraq.

Once again, Kofi Annan and the United Nations offered their help. Once again, this administration gave them the stiff arm. They said: No, thank you; we do not need your help. And we proceeded forward without building the

kind of coalition that would reduce the risk to our troops and without reducing the cost to the American people.

Then the third occasion was just the other day, when the President went to the U.N. General Assembly. Other nations again stood ready to help to provide troops and, hopefully, funds. All President Bush had to do was show a little humility and ask appropriately. Instead of asking, he lectured. Instead of focusing on reconstruction, his speech was a coldly received exercise in the rhetoric of redemption.

Kofi Annan offered to help. Again, we did not take them up on that offer in a way that was realistic. The President exhibited an attitude that was both self-satisfied and tone deaf simultaneously, once again raising the risk for American soldiers by leaving them alone, and once again raising the cost to the American people by leaving America alone.

I believe the President could have owned up to some of the difficulties. The President could have signaled or stated a willingness to abandon unilateral control over reconstruction and governance. Instead, he made America less safe—less safe—in a speech and in conduct that pushed other nations away rather than brought them to our cause and what should be rightfully the world's cause.

So what of this cost of the Iraqi operation?

In the fall of 2002, OMB Chief Mitch Daniels told us the costs of Iraq would be between \$50 and \$60 billion. It is now already more than \$100 billion more than that.

In January of this year, Secretary Rumsfeld said the same, and he added that "How much of that would be the U.S. burden, and how much would be other countries', is an open question."

Well, today it is not an open question; it is a closed question. We know the answer: The majority is being paid by the American taxpayers.

In March of this year, Deputy Secretary Wolfowitz testified in the Senate that Iraq is a "country that can really finance its own reconstruction, and relatively soon."

Did the Secretary mislead us or was the Secretary ignorant?

Again, in March, Secretary Powell testified in the Senate that "Iraq will not require the sorts of foreign assistance Afghanistan will continue to require."

When Larry Lindsey predicted the war may cost \$100 billion to \$200 billion, he was deemed so far off base by the White House that he was fired.

Now, a year later, Congress is set to appropriate over \$160 billion, and the costs are estimated to rise to \$350 billion to \$400 billion over 5 years. Even Larry Lindsey's estimates are now low.

With so much so wrong, Americans are looking to the White House for direction and leadership. They want, and they deserve, straight answers to straight questions.

How long will we be there? How much will it really cost? How many Amer-

ican troops will it take? And how long will it be before we do what common sense dictates and get the world invested in this effort by not treating Iraq as though it is an American prize, a loot of war but, rather, treating it as a nation that belongs in the community of nations, dealt with properly by the United Nations, as we did in Bosnia and Kosovo and Namibia and East Timor and in other parts of the world?

So far, the White House, with all of its evasion and explanation, has been a house of mirrors where nothing is what it seems and almost everything is other than what the President promised. But Americans are also looking to us in the Congress for leadership.

The President has talked a lot about sacrifice in recent weeks. In an address from the White House, he said of Iraq, "This will take time and require sacrifice." In his weekly radio talk, he warned that "This campaign requires sacrifice." Even in his State of the Union Address, the President issued a call for sacrifice saying: "We will not deny, we will not ignore, we will not pass along our problems to other Congresses, other presidents, and other generations." But that is exactly what we are doing if we leave this \$87 billion in its current form.

Also, there can be no doubt that the President has demanded that most of this sacrifice will come from the men and women in uniform. More than 300 troops have now already given their lives in Iraq. The Army is stretched too thin for its duties in Iraq. And troops who were promised that they would be home long ago remain in Iraq.

The President has called on the National Guard and Reserve at historic rates and put more than 200,000 guardsmen and reservists on active duty. The Pentagon has changed the rules so that a Guard unit's activation date does not start until the troops arrive in Iraq. That is a bookkeeping sleight of hand that keeps thousands of forces deployed even longer than they expected or were promised. And, incredibly, the President's call for sacrifice even included billing wounded troops for the cost of hospital meals. Fortunately, the Congress rectified that problem in this supplemental. But it is not yet law.

Despite all we are asking of the men and women in uniform, the bill we now debate appropriates \$87 billion simply by increasing the Federal deficit. It asks no sacrifice of anybody in the United States today who can afford it. This is an off-budget, deficit-spending free ride.

The amendment Senator BIDEN and I and others are offering changes that. It will pay the cost of this bill. It will pay the cost of the entire \$87 billion by simply repealing—not all, which I think we ought to do—a portion of the tax cut for the wealthiest Americans.

The Biden-Kerry amendment will ask those who can afford to pay this burden to do so, and make their contribution, make their sacrifice to the effort to

win the peace. It protects the middle class. It meets our obligations in Iraq. And it will help ensure that we have the resources necessary to accomplish our goals here at home, goals such as making health care more affordable, paying for homeland security, and keeping the President's promise to leave no child behind.

We should not abandon our mission in Iraq, and we understand the downsides of doing so. But we ought to demand that whatever we spend in Iraq be paid for with shared sacrifice, not deficit dollars.

We are already shortchanging critical domestic programs to pay for unwise tax cuts for the wealthiest Americans. In addition, the Bush fiscal record and its trillions in debt demand that we follow the commonsense approach of our amendment.

Since President Bush took office, the cumulative 10-year budget surplus has declined by almost \$10 trillion. We have gone from the largest budget surplus in American history to the largest deficit in American history this year. We have added nearly \$1 trillion to the debt inside of a single Presidential term. On top of that, we have passed a huge tax cut during wartime for the first time in American history. And that is the height of irresponsible, reckless budgeting.

The Bush administration blames the budget crisis on the Nation's response to September 11 and on funding for domestic programs, but that is a stunning misstatement of fact.

The simple facts are that the fiscal policies supported by this administration—tax cuts already passed, tax cuts that have been proposed, significant increases in defense spending and money for Iraq, and additional interest on the debt—have caused more than half of this turnaround. As the debt piles up, the President claims that he bears no responsibility when he, in fact, and his policies are the primary cause.

Senator BIDEN and I are making a commonsense proposal. Rather than borrowing an additional \$87 billion, we want to scale back a small portion of the tax cuts for the wealthiest Americans, for those making over \$300,000 a year. The average income of those in that top tax bracket is \$1 million a year. These Americans are not exactly hurting. Their real average after-tax income rose a remarkable 200 percent in the 1980s and 1990s, and their overall share of pretax income has nearly doubled over 20 years. That cannot be said of any other income group in the United States.

In the year 2000, the 2.8 million people who made up the top 1 percent of the population received more total after-tax income than did 110 million Americans who make up the bottom 40 percent. Think about that: The top 1 percent of Americans earned more income than the bottom 40 percent, and that is after taxes.

Mr. REID. Madam President, under the time allocated, we have some extra

time. So on behalf of Senator BIDEN, I yield 2 minutes to the Senator from Massachusetts.

Mr. KERRY. It is simply not unfair to ask those earning the most, those who are the most fortunate, those who are the most talented, the hard-working Americans who are earning more than \$300,000, not as a matter of any kind of targeting except for the fact they are the best off and have the greatest ability, to make this sacrifice without a negative impact on their lifestyle, on their choices, on their quality of life. This is a time for sacrifice. I believe it is appropriate for us to ask that in order to promote a free Iraq, in order to reduce the burden being placed on future generations of Americans, in order to reduce the burden placed on the middle class today, in order to have the least negative impact on our economy, the least negative impact on long-term interest rates, the least crowding out of borrowing by adding to the debt and crowding out private borrowing in the marketplace by public borrowing, the least negative impact on perceptions, the best way for America to deal with this problem of misinformation, this problem of promises broken is to turn to those the President seeks most to give the biggest breaks to most frequently and ask them to share the burden.

I hope my colleagues will do that, recognizing the sacrifice being made on a daily basis by 130,000 of our troops who live and die by what we do in the Senate and the House, in the Congress in Washington.

I thank the Chair.

The PRESIDING OFFICER (Mr. BUNNING). The Senator from Delaware.

Mr. BIDEN. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BIDEN. I meant to state earlier—and I know my colleague from California is about to speak—that the Senator from California was way ahead of me and way ahead of my friend from Massachusetts in one very important respect. She and Senator CHAFEE, long before I made this proposal, suggested that, quite frankly, the entire top 1 percent of the tax break be rolled back, not just \$87 billion, to pay for this and for other things to reduce the deficit. It was my intention to speak to that. Then I entered into what was an exchange with my friend from Utah, and I did not. I want to make clear what a central role she and Senator CHAFEE have played in making the fundamental point that all Americans should participate in making sure we win the peace and not saddle the next generation. That is unconscionable.

I yield the floor and thank my colleague.

The PRESIDING OFFICER. The Senator from California.

Mrs. FEINSTEIN. Mr. President, I thank the Senator from Delaware. I appreciate those words. Both Senator

CHAFEE and I felt very strongly that this rate rollback that affects the top 1 percent is really the right thing to do at this time.

I particularly compliment the Senator from Delaware on the way he worked out this bill, because essentially this is a rollback of the accelerated rate cut that the top 1 percent received in May 2003. It rolls back the acceleration just enough to pay the \$87 billion cost of this supplemental. So it becomes a very reasonable way to pay for a part of this war which, to date, including this supplemental, will cost the American people more than \$150 billion.

This is a big day in the Senate. As many of us have pointed out this week at the Appropriations Committee hearing on the supplemental, there are questions in the \$21 billion reconstruction portion of the supplemental request. Senator BYRD has twice tried to divide the package—once in the Appropriations Committee, once here on the floor. We have not been successful in being able to do that.

At the same time, we also recognize the seriousness of the need that the Iraqi people and their transportation and water infrastructure face after decades of neglect. We certainly recognize the needs that our men and women have in Iraq.

The fact is, we don't have the money to pay for improvements in our own infrastructure. Owing to a lack of money, just a few hours ago I decided against offering an amendment to this supplemental that would have invested substantial moneys in our domestic infrastructure, a plan that would have enhanced the safety, security, and efficiency of our highway, transit, aviation, rail, port, environmental, and public buildings infrastructure.

The reality is that there is no money to fund necessary improvements here at home. The reality is, those of us on this side of the aisle have become deficit hawks, whereas a few years ago it was the other side of the aisle. So today we have greatly enhanced spending for preparedness, for homeland security, and for the military.

How is it we can be expected to approve this supplemental without asking the most obvious question: How are we going to pay for it?

I have joined with Senators BIDEN, KERRY, CORZINE, and others in supporting this legislation because it will provide the necessary financial footing to appropriately execute our obligations in Iraq and Afghanistan as contained in this supplemental. In 1998, following nearly 30 years of deficits and a seventeenfold increase in the Federal debt, from \$365.8 billion to \$6.4 trillion, bipartisan cooperation brought the budget back into balance again. In 1998, we had the first surplus in a long time. Some of the funds which would have gone to pay interest on the debt were instead spent actually paying down the debt, and we were all delighted.

Now deficits and interest costs are growing once again. Net interest payments on Federal debt will increase sharply, from approximately \$170 billion in 2003 to more than \$300 billion by 2012. And we face a host of new challenges: the war on terror, the war in Iraq, the threat of North Korea. This has necessarily led to a shift in Government spending toward improving our defense and homeland security capabilities. Yet many of the challenges predating September 11 are still with us: improving education, updating infrastructure, preparing for the retirement of the baby boom generation, which will all severely strain the Social Security and Medicare trust funds.

The CBO predicts that the Federal deficit for fiscal year 2004 will top \$500 billion.

We might dispute the actual amount, but let there be no doubt, it is going to happen. We are going to have the largest deficit in our history this year. A portion of every dollar we spend, from this day forward until the end of September 2004, will be borrowed money—money our children and grandchildren will have to repay.

It is no secret that if citizens wish to receive services or undertake activities as a Nation, they have the right to levy a tax upon themselves to achieve these ends. We have somehow lost this sense of obligation and we have concluded that providing for our national defense, or for the education of our children, requires no more than charging the costs to a Government credit card. This must stop.

In fact, as this supplemental request is currently structured, our children and our grandchildren will pay \$3.60 for every dollar we borrow. This supplemental is not a request for \$87 billion. It actually totals \$313 billion if you include the interest—\$313 billion. It is penny wise and pound foolish to do this the way we are doing it, by not paying for it.

The President of the United States, in January of this year at his State of the Union, said the following words, and we from both sides of the aisle rose in acclaim to these words:

This country has many challenges. We will not deny, we will not ignore, we will not pass along our problems to other Congresses, to other Presidents, and to other generations. We will confront them with focus and clarity and courage.

Well, this is one challenge we are passing on to other Congresses and to other generations. We need not do it. This is a well thought out proposal to temporarily rollback a small portion of the accelerated tax cut for the top 1 percent—the wealthiest of all Americans.

As has been well stated, everyone who falls within this 1 percent makes more than \$310,000 a year in taxable income, which typically means that they are making more than \$420,000 a year in gross income.

We have more income taxpayers in California than any other State. Thir-

teen million out of 34 million people are income taxpayers. In California, this amendment will affect less than 250,000 families paying these taxes. These families are all in the top 1 percent they are the wealthiest Californians. Not one of them, at any time, has ever come up to me and said: Senator, we want a tax cut. But I have had several come up to me and say: I didn't realize how much money I would receive from the 2001 tax cut. And they have added that it was not really necessary to do it.

We now have an opportunity, by scaling back a small portion of the accelerated cut associated with the May 2003 tax package, to pay for this \$87 billion supplemental. It makes good sense. Think of what it saves for the future in terms of interest costs.

So what we are proposing generates \$87 billion. It is a first step toward putting our fiscal house in order. It pays for the President's supplemental spending request. It doesn't revoke the 2001 reduction in the top income tax rate, nor would it affect any other element of the 2001 tax package. It would merely temporarily raise the marginal income tax rate of the richest in our society. These people could take pride in knowing that this supplemental would not create debt that would be passed on to their grandchildren, to your grandchildren, or to my grandchildren.

I thank the Chair and yield the floor.

The PRESIDING OFFICER (Mr. GRAHAM of South Carolina). The Senator from Kentucky is recognized.

Mr. BUNNING. Mr. President, I rise to raise a few points on the war on terror and offer my support for the President's supplemental request.

First, I am compelled to address the latest round of attacks against the President's request to fund our Armed Forces and rebuilding efforts in both Iraq and Afghanistan.

We are at war. We may not have tens of thousands of soldiers storming the beaches of Normandy. There are no forces with tanks positioned against a potential Soviet advance into Europe.

But let there be no misunderstanding. The war against terror is every bit as important as our fight against fascism in World War II. Or our struggle against the spread of communism during the cold war.

I have full confidence that Kentuckians and the American people realize this. But sometimes I wonder if some of my colleagues do, because appeasement in this war is not an option.

Over the past decade, we have seen the bombing of the World Trade Center in 1993, 19 American soldiers dead in the bombing of the Kohbar Towers, and two U.S. Embassies in Africa blown up in 1996, and the bombing of the USS *Cole* off the coast of Yemen in 2000.

And then, instead of facing the threat of Islamic radicalism, we virtually looked the other way, and sent American forces as peacekeepers elsewhere into places like Haiti, Bosnia, and Kosovo.

We still have thousands of American peacekeepers in Bosnia and Kosovo. And these roles should be played by European forces who refuse to get serious about cleaning up their own backyard.

During the 1990s, the Western world was riding high as the cold war ended. Millions of people around the world found their first taste of freedom. Anti-American rhetoric was a mere fraction of what it is today. The global economy was humming along quite nicely.

However, some in the world digressed as we progressed. The Taliban came to power in Afghanistan with its brutal regime over the Afghan people. Afghan girls were kept out of school.

The regime executed political and religious dissidents. And al-Qaida established training camps freely under the Taliban government.

Saddam Hussein never accounted for his weapons of mass destruction programs. He kicked out the UN weapons inspectors. He defied UN resolutions. He made payments to families of suicide bombers. Mass graves were filled with bodies. He was a destabilizing threat.

And we let our guard down.

We all know what happened next—9/11. And that day changed everything. President Bush and Members of Congress from both parties vowed never again to let our guard down. We vowed to protect the American people at all costs. And the war on terror began.

Difficult times require difficult decisions, but supporting this bill shouldn't be a difficult decision.

Let's show our resolve with our commitment to finish this war on terror. Passing this supplemental will help get us closer.

We cannot pull back out of Iraq now, and should a vote come up in the Senate to pull our support out of Iraq, it would fail overwhelmingly.

Contrary to what opponents say, the war in Iraq is neither a "fraud," a "quagmire," nor a "miserable failure."

This would suggest that our troops sent to liberate Iraq and fight terrorism have died in vain. Nothing could be further from the truth.

From watching the news, one would think the Iraqis want us out of their country. But an overwhelming majority of Iraqis support our involvement there. Our freedom is contagious and we helped liberate them.

Much progress has been made in relatively little time. American troops stayed in Germany for 4 years and Japan for 7. We are still in Bosnia and Kosovo. We can't expect democracy overnight.

Saddam invested in palaces and terror and not his economic infrastructure. Many Iraqis had to wait until Saddam was gone to find their loved ones in one of his mass graves.

It is now time to ensure that the days of mass graves in Iraq ends.

Our military forces deserve quick Congressional action on this bill.

I have been following the 101st Airborne in Iraq. They are based at Fort

Campbell, KY. Just this week, the commanding general of the 101st, General Petraeus, told me that over in Iraq "money is ammunition. It's the key to all we are doing."

The 101st is doing some great work in northern Iraq. Besides killing Saddam's two sons and accepting the surrender of Saddam's Defense Minister, the 101st has worked on over 3,200 projects in the rebuilding of Iraq. These range from repairing schools to repairing oil refineries. They are doing truly remarkable work along with all our forces.

Some in Congress believe we should make the rebuilding funds a loan and not a grant. I oppose this approach.

While Iraq certainly has the resources to become a wealthy country, its revenue from oil should be used to invest in its own future, not to pay off old debts incurred under Saddam or be burdened with the debts of a loan as it tries to transition to a free economy.

And besides, there is no established Iraq government to transfer a loan to. I find great irony in the arguments of some who oppose the war. Many argued this war was all about the President's desire for oil.

Now many of these same people say we should use Iraqi oil to repay our Government. And President Bush is leading the charge on allowing Iraqis to keep their oil revenues for themselves.

Planning for an Iraqi oil fund is now in the works. It will give Iraqis a stake in the future of their country for the first time. Funds would go to public goods, such as national defense, education, and infrastructure.

This is the type of approach Iraq needs. We need to give the Iraqi people a hand up and not keep their heads down with debt.

If we don't act swiftly on this bill and terrorism prevails in this war, then we risk having to fight this war on America's turf. And that is why it is so vital to defeat the enemy on its turf as opposed to allowing them to regroup and hit us at home as they did on 9/11.

I don't like getting casualty notifications on soldiers, especially soldiers in my State, and I don't like it for anybody's state. No Senator likes seeing them. It is difficult.

We all feel for the families and friends of the brave soldiers who have died in Iraq and Afghanistan. I know what it is like for those with loved ones still there. My wife and I felt the same way when our son Bill served in Operation Desert Storm and later in Afghanistan.

But we must remember that our cause is just and that we are on the right side of history.

We must remember that the war on terror may continue for some time. I am going to repeat that because I want the American people to understand that the war on terror may continue for some time. I acknowledge that this is a difficult point for many Americans to grasp. Indeed, it is difficult for many of us.

This is why it is time for us to move swiftly on this bill to protect our troops and help rebuild both countries. This bill is an investment in not just Iraq and Afghanistan, but it is an investment in our security, freedom, and future.

I thank the Chair and I yield the floor.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I wish to take a few moments to speak in favor of the Biden amendment that is before the Senate, which offsets the extraordinary expenses—\$87 billion—we are being asked to consider in this supplemental appropriations act.

Before I get into that discussion, however, it is probably useful for all of us to, once again, realize what \$87 billion really is. It is very difficult to get our hands around such a sizable number. It is only when we look at it in comparison to other important federal programs, to other key economic indicators, that we can really develop a better understanding of how much money this really is.

Mr. President, \$87 billion is more than the combined budget deficits of all the 50 States in 2004. Even in the greatest fiscal crisis since the Great Depression, the deficits of all 50 states were less than this sum.

Eighty-seven billion is 87 times what the Federal Government usually spends annually on afterschool programs. That is right, what we usually spend, because this year the Administration proposes cutting that by nearly \$400 billion.

We have fought to try and get it back to just \$1 billion for the afterschool programs that are so essential to assisting children develop the academic tools, personal confidence, and social skills necessary for personal success and accomplishment in this country. Yet still this Administration wants to slash this funding.

Again, this \$87 billion is 87 times what we spend nationwide on afterschool programs.

It is 2 years' worth of unemployment benefits for the millions of people who have lost their jobs on this Administration's watch. Every couple of months, we have to fight tooth and nail to extend these temporary benefits for Americans who cannot find work. And it's always a fight.

These are not unmotivated citizens looking for a check they are hard-working Americans who can't find a job in this slack economy. If we help get them through this extraordinarily difficult time, they'll be back contributing to the unemployment insurance system in a very short time period.

This \$87 billion is enough to pay each of the 3.3 million people who have lost their jobs in the past 3 years more than \$26,000.

It is seven times what the President proposed to spend on education for low-income schools. Make no mistake about it: This \$87 billion is seven times

the amount that this institution, the House of Representatives, and the President are allocating for the low-income schools in this country. It is seven times the amount we are spending for the education of low-income children in this country.

It is nine times what this Federal Government spends each year on special education for those several million children, close to about 4 million, who used to be kept in closets or kept away from the public school system. We don't do that anymore, we don't relegate Americans to lives of deprivation, neglect, and isolation. For more than 25 years, we have made steady progress, with section 504 of the Education Act and then eventually the special education programs, the IDEA, some 25 years ago. We have made remarkable progress.

What we are now looking now is that so many of these children graduate from high school, go on to college, and enter the workforce. They have a sense of value of their own self worth, a sense of dignity, and they now contribute to the productivity of this nation. And what a difference it makes to their parents, and their communities, and their country. Yet in one stroke of the pen, we are about to send nine as much money to Iraq as we invest in special education each year.

This \$87 billion is also eight times what the Government spends each year on the Pell grants to provide middle- and low-income students the opportunity to go to college. The average income of families needing this assistance is \$15,200. And there are more than 4,800,000 young people nationwide relying on this badly needed grant help.

We began the Pell Grant program at a time when we as a nation to our young people that if they have ability and they can gain entrance into the colleges where they are applying, we will help devise a package of grants, loans, and work study programs in conjunction with their own summer employment and contributions from their family, so that they can achieve their highest aspirations.

That was an incredibly important choice for the economic and social well-being of this country. It is important in terms of ensuring that we are going to have well-qualified people in the military. It is important in terms of our institutions and democracy.

Yet this \$87 billion is eight times what we are allocating for middle-income and low-income families to send their children to school. Do my colleagues understand that? It is eight times that amount, and we had to battle this year, a fight which we lost, to bring the Pell grants up to respond to the increase in tuitions that are taking place across this country. We wanted \$2.2 billion, but we lost that \$2.2 billion in the Senate. This Senate didn't have the money to help more families send their kids to college this year, and now we know why.

This \$87 billion is eight times the total Pell grants. That is what we are

talking about. It is larger than the total economy of 166 nations. So this is a major allocation of resources that is going to bind our hands for years to come.

What does the Biden amendment do? The Biden amendment says we are going to pay for this. We are not just going to allocate these resources and add it to the debt of this country, which means our children and our grandchildren are going to have to pay this some time in the future.

We passed a very generous tax reduction program for the top 1 percent of the taxpayers in this country. Now listen to this: Between 2003 and 2010, the top 1 percent of the taxpayers, which have an average income in excess of \$1 million, are going to get \$690 billion in tax relief. Do we understand that?

With the tax reductions that this Congress has passed over the period of the last 2 years, the top 1 percent is going to get \$690 billion. Those are individuals who are making \$1 million or more. That is going to be their savings over the next 7 years, \$690 billion. All the Biden amendment says is rather than \$690, let's make it \$600 billion, in order to make a down payment on paying for the war.

Shared sacrifice, now that is a pretty good American idea. Abraham Lincoln believed in it when he call for an increase in the tax for the wealthiest individuals at the time of the Civil War. We did exactly the same thing at the time of the Spanish-American War. Shared sacrifices across the board, by those who had the highest income. We did it in World War I. We did it in World War II. Why are we not doing it with this?

That is all this amendment is really about, shared sacrifice. To the wealthiest 1 percent of individuals, we are saying when we have American servicemen who are risking their lives every day families being disrupted in terms of the National Guard and the Reserves—you can give up some portion of your \$690 billion tax cut. I met with many from Massachusetts' servicemen who have come back from Iraq and Afghanistan to find their jobs in jeopardy gone because of the state of the economy. Families are separated for a much longer time than they ever expected.

In our State, there are 11 families who have lost a loved one and scores of families with grievously wounded relatives and friends. Why can we not say that we are going to have some shared sacrifice? Instead of the \$690 billion, we will make it just under \$600 billion. That is what this amendment is about.

Finally, it seems to me a powerful enough argument, but listen, when we enacted this tax cut, the administration officials, like Secretary Rumsfeld, were saying, "I do not believe the United States has the responsibility for reconstruction." That was at the time we were passing the tax cut.

We enacted this tax cut when the USAID Administrator Natsios was telling the American people the total U.S.

portion of construction costs would be \$1.7 billion and there are no plans for further on funding after this.

This is \$87 billion on top of the \$78 billion that we have already put up to fund this effort in Iraq. What happened to \$1.7 billion? We enacted this tax cut when Deputy Secretary of Defense Paul Wolfowitz was informing the Congress, that we are "dealing with a country that can really finance its own reconstruction and relatively soon." Do not worry about it the cost was what we heard.

As a result of the administration's failure to plan for the true costs of the Iraq operation and its failure to obtain substantial international support, we are now faced with a staggering reconstruction of \$20 billion for Iraq which may be the only first installment. This is only the first installment.

Before the Armed Services Committee, Ambassador Bremer said he expects to be back again. When is it going to end? Ambassador Bremer is now suggesting the total reconstruction costs may ultimately reach \$60 billion. Those are the World Bank estimates. Because of the administration's go-it-alone on Iraq, the costs of that mistake have climbed to over \$120 billion.

Clearly, the circumstances have changed. The administration has grossly underestimated the costs now coming due.

President Bush, Secretary Rumsfeld, and Deputy Secretary Wolfowitz wanted to go to war in the worst way, and they did.

Now the bill is coming due. The Biden amendment is the right way for Congress and the country to pay the bill, and I urge my colleagues to approve this amendment.

The PRESIDING OFFICER (Mr. BUNNING). The Senator from Kansas.

Mr. BROWNBACK. Mr. President, I rise to address the Biden amendment and make comments regarding it. I rise in opposition to that amendment and I wanted to indicate why.

First, I want to indicate how we got to the point we are today. There were a number of people who came forward to say this is a huge bill—and it is. This is too much. I think we should examine that issue. I hope nobody says we should not be paying, because we have started down this road sometime back and it was the Congress that started down this road, not the administration. It was the Congress that started down this road. I think we now need to see this on through or we could leave the situation that we in the Congress started in a worse position than it was when we got into this in the first place.

This is what I want to point out. Congress passed the Iraq Liberation Act in 1998. This was the vote in the House of Representatives: 360 to 38. The Senate, by unanimous consent, passed this bill, the Iraq Liberation Act.

What did it call for? It called for regime change in Iraq. This was signed

into law by President Clinton. We allocated, authorized, and appropriated \$100 million to spend on this effort of regime change in Iraq. That was to get Saddam Hussein out of Iraq.

He was supporting terrorists, he had used weapons of mass destruction, he wreaked terrorism upon his own people, and he was costing us billions of dollars a year in containment because we had soldiers and airmen stationed in Saudi Arabia, and we were doing regular bombings into Iraq. We were conducting no-fly zones in the north and in the south. We built airbases in Saudi Arabia to be able to move this on forward.

This was an untenable situation. It was bad for the Iraqi people, bad for us, and bad for the region. All the countries in the region had some difficulty or problem, either being attacked, as Kuwait was, launched into, as Saudi Arabia was, threatened, as Jordan had been, at war as Iran. These are the countries, other than Turkey and Syria, that surround Iraq. Most of the countries in the region were saying something needed to be done, but they weren't willing to step forward unless the United States was serious. This was part of our statement that we were serious.

President Bush took this forward after 9/11 when the whole world changed for the United States. We decided after 9/11 that we would no longer wait for the terrorists to gather up steam and build up forces against us and then launch. We were going to go to the terrorists and disrupt them first, rather than wait until they came to our soil so tragically. Thus ensued the war on terrorism in Afghanistan and Iraq.

In Iraq, we had a country that had in the past used chemical weapons against its own people and against the Iranians. That is the fact and that is what we knew and this is where it started, and it started with the Congress.

Now to the issue today of the supplemental and how do we pay for it. I think it would be a terrible mistake for us at this time to raise taxes on the American people, just at the time when we are starting to get the economy recovered and moving again.

Finally, this last quarter we had our best quarter in 2 years, with 3-percent GDP growth. The Gross Domestic Product grew by 3 percent this last quarter. We are finally getting some growth and that growth has to occur and has to build up for us to create jobs. There is a lag between that growth and creating jobs. If we go right now and say to the American people that we are going to raise taxes on you at this point in time, you are going to threaten the very early stages of growth and the creation of jobs which is starting to take place. That is the wrong message to send.

The thing we need to do is keep the growth occurring in this country. You do that by low interest rates and by

lowering taxes. Those are the two tools that are being displayed and used now, and they are working to start the economic recovery. If you grow taxes at this point in time, you send the wrong message.

We do have a growing Federal deficit. What should we be doing to address that? I think we should address that issue of the Federal deficit. It is important. It is an issue. It is something that needs to be addressed.

I want to put forward an idea that we have 28 cosponsors on now. I want to put it forward in the context of how we balanced the budget in the past. We were able to balance the budget for several years in a row. It is the Congress that appropriates the money and allocates the spending. It is the Congress that gets the budget either in surplus or deficit, and it was the Congress that balanced the budget previously.

How did we do it? There were two things. There was a strong growth in the overall economy producing receipts coming into the Federal Government and there was a slowing of the growth in Federal spending. We restrained the growth of Federal spending so the growth in the economy and the receipts it produced were more than the growth in the spending of the Federal Government, and we were able to get our way to a position where we had a balanced budget for several years in a row, indeed pushing forward strong surpluses.

That is the way we will balance the budget again. Getting the economy growing and restraining the growth in Federal spending.

How do we restrain the growth in Federal spending? The Commission on Accounting and Review of Federal Agencies—CARFA, for short. The model for it is the BRAC procedure. With the BRAC procedure, we looked at the totality of the military bases we had. We said we had too many military bases; we should cut back those military bases, consolidate them, and use whatever we can save if we can save among the bases we keep. It is called the BRAC process.

How does that work? We had a commission. The commission met, they discussed it, and said we should eliminate these 50 bases. Then a bill was introduced in the Congress with no amendments, and you gave each House one vote up or down, whether they agree or disagree. By that means we were able to eliminate and consolidate bases.

I say let's do the same thing with domestic discretionary programs. By that I am saying not for the military; we already have a procedure there. Not for entitlement programs. Let's move forward that way, and that is a way we can address this issue. That is how we will actually get back to a balanced budget, not by raising taxes.

As to Iraqi spending, I want to discuss that. I think we should review and reduce some of the spending in this area that has been proposed. I have

gone through in some detail, not the full proposal yet but most of it. I think there are areas we should not be paying for. Memorials to human rights abuses—clearly those are things that would be good to do. But should we, the American people, the American taxpayer, be paying for that? Is that central to redeveloping Iraq? I don't think it is, particularly at this time.

Should we be paying \$50,000 per garbage truck? I don't think so, not in a part of the world that maybe it would be good to have, but there is probably garbage being collected in old pickup trucks. That is the way we used to do it in my hometown many years ago. There is nothing wrong with that, maybe, at the current stage of development. Maybe later you would use something better. But I think we should take some of these areas and say, let's pull those down and pull those out and let's reallocate some into more policing, which is critically important in Iraq, for us to get our troops garrisoned and less subject to exposure. Put it in the Iraq development bank, where we can see the Iraqi people growing their own money and we will be saving some of the money for our deficit purposes here, working to reduce that. I will be working with a group of people to put such a proposal together and put it in front of my colleagues.

I think that is an important part the job of this body, to review what the President has put forward and see where we agree and let's pass that and other areas where we would change it.

I do not think it is an option for us not to pass the supplemental. We need the supplemental for the troops. We need the supplemental to develop Iraq. It is not an option for us to fail in Iraq. We must succeed. Indeed, Iraq and its success is central to us bringing forward a reduction in the swamp area where terrorism has bred and where it has stewed and where it has grown, in an area we have seen terrorism coming forth and attacking us. This is an area we have to go out and change. We change it by bringing forth our ideas and our models of democracy, of an open society, and of a free economy. This Iraq is going to be an area where we will have to concentrate and focus, deliver that, and hopefully that will affect much of the rest of the region. There is some indication that is already happening.

So you drain the swamp away, and drain it away with our set of ideas.

Failure in Iraq is not an option. We must succeed in Iraq by moving forward with our model on the war on terrorism, which is we take the war there rather than letting them gather steam and come at us and kill our people here.

I think there are legitimate ways to address this issue. I think we ought to look at the issues of loans versus total grants. This is a large-scale, oil-based country that wants those production wells going again. I think there is going to be oil produced and a substantial amount of income.

I think we ought to look at the overall proposal. There are places where we should adjust. But overall, we are going to need to pass this supplemental. For us to raise taxes at a time when we are just getting the economy going would be the wrong way for us to go as a government, as a society, and for this country.

We have to allow this growth to continue taking place. The key here would be instead of reducing our overall spending to look for places we can save within this overall spending bill.

We are going to have a spirited debate. As we go out for a week and do townhall meetings across the country—and I will be doing that in my State—I look forward to gathering a lot of input from individuals. I think that will be helpful for us as we move forward.

But I don't want us to send an improper signal. Failure in Iraq is not an option. We cannot fail. We need to do this supplemental, but I think we can make some changes.

I yield the floor.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. KOHL. I thank the Chair.

I rise today to voice my support for the amendment offered by the Senator from Delaware. His amendment allows us to fully offset the \$87 billion cost of the supplemental before us by increasing slightly the top tax rate in the years 2005 to 2010. This top tax rate—which is paid only by the wealthiest 1 percent of taxpayers—was cut dramatically in the two tax cut bills passed since President Bush took office.

There is broad consensus for the \$67 billion in this request for military and defense spending. And even those of us who voted yesterday to cut \$15 billion in reconstruction funding did so to make the point that we have lingering questions about the nature of this funding and who will pay for it. However, our support for funding our obligations in Iraq doesn't mean that we support adding to the exploding deficits our Nation is now facing. The Biden amendment does not question whether we should fund the war—it addresses how we finance our necessary obligations.

The President has proposed paying for the entire \$87 billion with debt. In a time when our deficit is projected to top half a trillion dollars a year, this choice is unsupportable.

Our ballooning government debt sucks capital from a private sector struggling to recover lost manufacturing jobs. The debt places upward pressure on interest rates, wreaking havoc on the family budgets of those carrying home loans or consumer debt. The billions we pay in debt service each year is billions that does not go to our schools, our roads, or our growing homeland security needs. And a crippling debt is a terrible legacy for future generations—generations that had no say in our current policies in Iraq.

Financing this war with debt is a costly and unwise choice. The Biden

amendment offers another way to pay for what we have an obligation to do.

On September 7, the President said in a speech to the Nation that the war and reconstruction of Iraq would require "time and sacrifice." For months, we have asked the young men and women of the Armed Forces to make the ultimate sacrifice: to fight—and perhaps die—for this country. Senator BIDEN's amendment asks another group—the wealthiest 1 percent of all Americans to also sacrifice—to accept a small increase in a tax rate that was greatly decreased by the Bush tax cuts.

The Senator's amendment offsets the cost of the President's request by asking the top 1 percent of taxpayers, those in the 35 percent bracket, to forego approximately \$90 billion of the \$690 billion in tax cuts they were granted in the two tax bills we have passed since President Bush took office. A taxpayer in the top 1 percent has an average income of \$1 million a year. Asking for some financial sacrifice from these taxpayers seems the least onerous of the options for financing this war.

Whatever we decide to do with this spending request, we must pay for it now. Offsetting the cost of this supplemental is the right thing to do. It asks those who have benefited the most from our thriving economy to help keep that economy healthy by reducing our growing debt burden. It relieves future generations of the staggering bill for a policy they had no part in setting. And it sends a signal to our Armed Forces that, when the President calls for sacrifice, he is not only calling on them.

I urge my colleagues to support the Biden amendment, and I yield the floor.

The PRESIDING OFFICER. The Senator from New York.

Mrs. CLINTON. Mr. President, I commend my friend and colleague from Wisconsin for a very straightforward and profoundly important summary of the reasons why we should in a bipartisan manner support the Biden amendment. The Senator from Wisconsin is an expert on the economy, on creating jobs, and on building businesses as well as public policy. He has the understanding that we have to look beyond the horizon if we are to be leaders to build a better America and a safer world for our children. I thank the Senator from Wisconsin.

I, too, urge all of my colleagues on both sides of the aisle to support the Biden amendment. This is an issue of great importance we are debating. It is not only essential that we support our troops—which we all do and feel strongly about—in a fiscally responsible manner so these young men and women who are fighting and dying in Iraq will be able to return to a country with a growing economy which is creating jobs and a responsible government.

At the end of the day, as the Senator from Wisconsin just said, we are funding this war from our children's inher-

itance. It is wrong. I don't care what else you could say about it. That is fundamentally wrong. We have a chance to act responsibly. Unfortunately, the words "fiscal responsibility" and "fiscal discipline" apparently are not found in the current administration's dictionary. There is nothing responsible or fair about the decisions we are being asked to make.

This administration hasn't really asked for sacrifice from anybody. But there are people who are sacrificing. First and foremost, our men and women in uniform, our active duty, our Reserve, our Guard, people who have now been deployed in Iraq or Afghanistan in our war against terror, people who have left their families and have been uprooted from their jobs, they are all sacrificing. And I am grateful and proud of the work and services they provide.

But this President's budget also asks other Americans to sacrifice. It asks children and afterschool programs to sacrifice. It asks people who need job training and additional skills to be employable in this jobless economy to sacrifice. It asks people who need help with their heating and cooling bills to sacrifice. It asks those who need child care services to sacrifice. It asks so many Americans to sacrifice. Yet it does nothing to remove the burden from those people or our children.

Amazingly enough, those of us who can afford to sacrifice for our national and international goals are not asked to sacrifice at all. In fact, it is just the opposite. We are given more and more and more tax cuts.

What is the administration's policy except to further burden hard-working, middle-class Americans and future generations and not do anything to try to in a fiscally responsible way address our needs?

Think about it. Just a few years ago we were in the midst of the longest string of budget surpluses since the 1920s. We were paying down our debt, we had historically low numbers of unemployed people, and we lifted millions of people out of poverty. President Bush said just 2 years ago the country would be virtually debt free by 2008. He said there would only be \$36 billion of remaining debt.

As we have seen in so many instances, the rhetoric does not match the reality. Today it is projected that our publicly held debt—and some may not want to hear, but the fact is by 2008 it will reach \$6.2 trillion. We have done a tremendous reversal. Who will pay for it? The young people in this gallery who watch the proceedings in the Senate. They are the ones who will get the due bill for our profligacy, our refusal to act responsibly. The administration is denying the absolute reality that we are not paying as we go for a commitment on which we have to follow through.

Here we are with a request for \$87 billion. I was pleased to hear my colleague from Kansas on the other side of

the aisle say they join in looking at some of the specifics because some of the specifics are outrageous. We now know from people coming back from Iraq that a lot of what the administration says they want to spend money on we can buy more cheaply than the no-bid contracts the administration favors with their friends. I was delighted to hear the Senator from Kansas say let's look at the specifics. But that still does not get us where we need to go in paying for this.

There will be a big debate about how to pay for this. We can start by passing the Biden amendment, by being responsible. I also add, this is good for the economy. All this talk about the increase in the GDP on a monthly basis—look at the numbers carefully. A lot of it is driven by deficit spending and spending in Iraq.

Nobody is arguing that is not a good thing that we are having to do what we said we would do and following on, but be honest and look at the numbers below the surface. As the Senator from Wisconsin said correctly, we are going to stall this economy dead in its tracks if it ever gets off the dime, if it ever begins to create jobs, because we cannot sustain private capital when we have so many demands growing from the Government. Furthermore, we are becoming even more dependent on foreign currencies, on foreign investors. I don't think that is good for our long-time security either.

Instead of just pushing our country deeper in debt, let's think about our children, think about those young men and women serving this very moment in Iraq, and make sure we pay by asking those in the upper 1 percent of the income level in this country to do our fair share to make a sacrifice. It is a pittance when you think about it. What are we sacrificing? Instead of \$690 billion in tax cuts, we give \$600 billion in tax cuts. Do the right thing. It is good for our commitment in Iraq, good for our economy, and the very fairest thing we can do for our children.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. CARPER. Mr. President, I ask unanimous consent to be added as a cosponsor to the Biden amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CARPER. Mr. President, I follow up on the comments of the Senator from New York with respect to sacrifice. Our State is a small State. We only have about 800,000 people. We have reservists who serve in all the branches of our military. We have the Delaware National Guard unit. When I was Governor, I was privileged to be their commander in chief. I know many of them personally, as well as their families.

When guard and reservists are called to be deployed to active duty, usually our Governor is there to send them off and tries to be there to receive them when they come home. Similarly, when it is a unit of another branch of the

service—Army, Navy, Air Force, Marines—we like to be there to welcome them home, too.

I will mention two units, one Marine Reserve unit, the second a unit of the Delaware National Guard, folks who fly and maintain the C-130 cargo aircraft, part of the air bridge between this country and other parts around the world.

About 2 weeks ago, I was invited to be part of a welcome home ceremony for a number of Marine reservists. They had been called to active duty. They served in Iraq. They were able to come home to their families. They came home largely to their spouses—mostly to wives—they came home to their children, came home to brothers and sisters, moms and dads in many cases, they came home to their neighbors, and they came home to their jobs. I don't think it is overstating it to say they are thrilled to be home—proud of their service, thrilled to be home.

I had another unit in the Delaware National Air Guard 166. The people who fly and maintain the C-130 cargo aircraft were activated earlier this year and spent 4 months on active duty and then were released to come home to a great homecoming ceremony, a lot of joy. Then they were reactivated roughly a month ago and headed back on the other side of the world. I am not sure when they are coming home.

They missed the return of their children to school, will probably not be around to take the kids out to trick or treat this year. When their families sit around and eat at the Thanksgiving table and carve up the turkey, they probably won't be there. When presents are opened around Christmastime, God only knows where they will be. Those families know what it means to sacrifice, not just the ones who are overseas—whether they are Delaware National Guard, any National Guard, any Reserve unit, or anyone on active duty.

It is one thing to ask the sacrifice of those who serve. As one who once served, that is your job description. You are expected to be prepared to go and serve when needed. It is always toughest on those who stay behind because they give up their loved one, they give up someone who is helping to hold the family together in many cases; in some cases they give up a breadwinner who has gone off to earn a far lower salary. They know what sacrifice is.

What the Biden amendment says is, for those who are blessed with great financial well-being, whose income exceeds \$300,000 per year adjusted gross income, maybe we can do something, too. We may not have a child, a son or a daughter; we may not have a brother or sister. And I know Senator JOHNSON has a son who I believe still serves over there, but for the most part we do not. For the most part, people with those incomes do not. But we have the ability to do something to help out in this case. I don't think it is asking too much for those who happen to make

that kind of income to be willing to defer maybe \$2,000 a year to help make sure that our children and our grandchildren do not inherit an even greater mountain of debt.

Let me close with one comment. Sometimes you talk to people about the amount of debt and the numbers are almost numbing. Let me leave you with this number: Today, on this day of October 2, we will make an interest payment on our national debt—imagine a credit card—an interest payment on our national debt. The interest payment is \$882 million.

We can bemoan that fact and say that is terrible, why don't we do something about it, or we can, with our vote today, do something about it and make sure we do not add further to that debt.

A fellow who used to be the British Chancellor of the Exchequer had a theory of holes. That theory was as follows: When you find yourself in a hole, stop digging.

We are in a hole, and it is time to stop digging.

The PRESIDING OFFICER (Mr. ALEXANDER). The Senator from South Dakota.

Mr. JOHNSON. Mr. President, I rise in support of the Biden amendment. There is no question we will support our troops. My colleague from Delaware mentioned my own son Brooks, who has recently returned from fighting in Iraq, in Baghdad; outside of Kandahar, Afghanistan prior to that; and Kosovo and Bosnia prior to that. So I have a full appreciation, as do my colleagues on both sides of the aisle in this Chamber, that our fighting men and women deserve all the resources they need, and we will do all it takes to make sure they have those resources.

But there is the larger question of the \$87 billion, particularly I think the \$20.3 billion component for so-called rebuilding in Iraq, although when we say "rebuilding," keep in mind that the President is not talking about rebuilding things that were damaged in the war; the President is talking about creating schools, whole new cities, whole new water and telecommunications systems that have never existed in all of Iraq's history.

But the fundamental question we have here at this moment is, How will this be paid for?

There have been essentially—until the Biden amendment—two strategies. One is that Iraq borrow the money and build it themselves. They sit atop the world's largest supply of oil, literally a mountain of gold. Granted, they do not have the technology to pump that oil quickly at this point in their history, but it is there and could be collateralized.

Second is the President's recommendation, where, rather than Iraq borrowing to pay for the \$87 billion, we borrow it to pay for the \$87 billion, because we do not have \$87 billion either. We do not have \$87 billion in cash lying around. In fact, we have gone from record budget surpluses only 2 years

ago to, under the guidance of this President, an annual deficit now approaching \$500 billion a year. It is a breathtaking record deficit that we face. So we do not have any surplus money to be used anywhere, including in Iraq.

The President says: Well, we do not want Iraqis to have to borrow because that might raise their debt service cost, despite the fact they have the world's largest pool of oil. Instead, let's borrow it out of our Social Security trust fund. That is the President's strategy. I think it is a terrible strategy. We have been doing too much of that as it is. To borrow still more, and drive our deficit still deeper, to put Social Security in still greater jeopardy in the outyears is, to me, not an acceptable strategy.

Senator BIDEN has suggested there is a third way. If the President simply will not accept the fact that Iraq ought to borrow this money themselves, then at least let's not borrow it out of the Social Security trust fund from the United States; let's allow those who have benefited the greatest by the growth of the United States economy—those 1 percent of Americans who earn over \$300,000 a year—to have a temporary freeze in the tax reductions over the course of 5 years that would pay the \$87 billion.

It troubles me that this President and some of our colleagues—who are constantly lecturing us about how there is not enough money for our own schools, for our own highways, for our own health care, for our own veterans, for our own job creation—are the very first ones to come to this body and tell us how badly we need to spend that same amount of money in Iraq, and borrow it out of the Social Security trust fund while we are at it. It is not acceptable to me.

I have to wonder about those kinds of priorities when we have such great unmet needs here and when, Heaven knows, we are also facing stupendous budget deficits. So it does seem to me that Senator BIDEN is correct in saying, let's not go down the borrowing route ourselves, let's pay for this, if it needs to be paid for. And, frankly, there are many components of that \$20 billion piece which I am dubious about, but if we are going to pay for any of this, let's pay for it by making sure that ordinary Americans are not hit once again.

As was noted earlier, our troops and their families are making immense sacrifices, for many the ultimate sacrifice. But there are other people who are making sacrifices as well—in terms of crowded classrooms, in terms of schools that are not being repaired, in terms of technology that we cannot afford in our schools, in terms of those who have no access to health care, in terms of rural hospitals that are closing, in terms of veterans who have no access to the VA, and in terms of those who have lost their jobs and see no jobs in the near future. All of those people are sacrificing as well.

If there is going to be sacrifice, let it be by the 1 percent rather than borrowing this money.

I thank the Chair.

The PRESIDING OFFICER. The Senator's time has expired.

The Senator from Delaware.

Mr. BIDEN. Mr. President, parliamentary inquiry: How much time is available to the Senator from Delaware?

The PRESIDING OFFICER. Thirty minutes.

Mr. BIDEN. Mr. President, I yield 1 minute, if I may—I know it is out of order. Our friend from Maryland has asked for 1 minute. I would be delighted to yield that to him, and then I would ask, after that, to yield 1 minute to my friend from Florida. And then I think, in the order, Senator REED is in the queue for 5 minutes, and then the Senator from Illinois, and then the Senator from North Dakota. I ask unanimous consent that be the order.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. BIDEN. I thank the Chair.

The PRESIDING OFFICER. The Senator from Maryland.

Mr. SARBANES. Mr. President, I want to pick up on a point that the Senator from South Dakota just made, and that is the question of sacrifice. The people in this country who are making sacrifices in this war in Iraq are the working people and the men and women in our armed services.

The men and women who are losing their lives and suffering casualties come overwhelmingly from working families in America. Overwhelmingly they are the ones who are unable to meet their families' needs, and their own needs, because our national priorities have disastrously changed and the impact has fallen on particularly crucial programs: education, health care, job training—you can go right down the list.

The deficits we are running, the huge national debt that is being run up will come down on the shoulders of working families in this country.

If you want to talk about sacrifice, pass the Biden amendment.

It is time for the privileged in this country to make sacrifices, too. It is not their men and women who are in Iraq. It is not their programs that are being hit. They are not shouldering the debt.

They, too, should be making a sacrifice on behalf of this national effort.

The PRESIDING OFFICER. The Senator's time has expired.

The Senator from Florida.

Mr. NELSON of Florida. Mr. President, this Nation's fiscal policy is careening off the road into bankruptcy. And that means, if we are having to go out and borrow money—by the way, borrowing it from places such as Saudi Arabia and the Chinese—in order to pay our bills, that means we are not able to spend money going into edu-

cation and health care and Social Security.

You have to get some relief somewhere. This is a good place. Stop the tax cuts that are supposed to be going into effect for the wealthiest, and let that \$87 billion pay for these expenses that are incurred in Iraq.

I thank the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. REED. Mr. President, the Biden amendment is very straightforward. It says we will pay for the \$87 billion by repealing the tax advantages for those who have the upper 1 percent in income in the United States.

In my view, this is not an issue of taxes or payments; this is a simple issue of responsibility. It is irresponsible for us to borrow money from Social Security, borrow money from Medicare, borrow money from education spending, borrow money from the Veterans' Administration to give to the Iraqi people. We can, in fact, pay for it. We can pay for it by supporting the Biden amendment.

My colleague from Maryland spoke about the sacrifice of these soldiers, sailors, airmen, airwomen, and marines who are over in Iraq. Just ask yourself: What happens 5 years from now when those young Americans go to the Veterans' Administration and they are told they cannot be accommodated because we do not have enough money, that we borrowed so much money that our economy is in disarray, and that our programs that support American people have been devastated?

We have a situation in which our deficits are growing out of proportion, the national debt is rising. In January of 2001, the CBO estimated that the national debt in 2008 would be \$36 billion. In fact, the President at that time was talking about paying off all of our debt, and now, in August of 2003, CBO projects a debt of \$6.2 trillion in 2008. Deficits are expanding dramatically. Again and again they go up and up and up. Now we are talking about a \$535 billion deficit.

This has an effect. It is not free money. The effect is in many dimensions. One dimension is that ultimately it will drive up interest rates. That is not my view. That is the view of Alan Greenspan, in his words:

There is no question that as deficits go up, contrary to what some have said, it does affect long-term interest rates. It does have a negative impact on the economy, unless attended.

This is one way we can attend to the deficit. Or the words of the CBO Director:

To the extent that going forward we run large sustained deficits in the face of full employment, it will in fact crowd out capital accumulation and otherwise slow economic growth.

We are today, by spending and not raising the revenues to support that spending, contributing to this out-of-control deficit spiral that will affect our economy.

There is another consequence that goes to responsibility. How can we be a world leader, how can we sustain our efforts in Iraq, in Afghanistan, across the globe, if our economy becomes unraveled, as it is becoming?

Of course, there is an immediate issue. We are losing employment left and right, particularly manufacturing employment. How do we sustain manufacturing in the United States? What happens when their interest rates go up, when they have to pay more money to borrow? That is another invitation to take their work and send it overseas. What happens when their health care costs go up? And they will, unless we do more to support the Medicare system, the Medicaid system, and general health insurance throughout the United States, another pressure.

This is all irresponsible. We have huge problems. We have much to do to deal with those problems. But we can begin today and simply say, rather than giving the Iraqi people \$87 billion from Social Security, from health care, from education, we can ask the top 1 percent of Americans, who have done extraordinarily well, to forgo a tax break so that we can pay for this.

It is responsible. This vote today is not about taxes. It is not about our approach to Iraq. It is not about supporting the troops. It is about whether we will be responsible today and in the future. I urge that we go forth and be responsible.

My colleague from Maryland also pointed out the sacrifice. We all know our forces are doing a magnificent job. They are truly sacrificing, and we are going to support them. But their sacrifice must be met not only with our sacrifice but with some wisdom, the ability to look ahead, the ability to see what is coming. What is coming is an economic deterioration of this country unless we can get our hands on this deficit.

This is the first step. It is a modest step, but it is a first step. What better rationale, to ask the people of America to contribute their hard-earned dollars and support our troops, support our foreign policy, support an effort to root out dangers to this country? In fact, in times of war, the American people have always responded, and other Congresses and other administrations have responded when we have asked them for increased sacrifices and increased taxes.

None of the Biden proposal will affect the middle class, the working class. It is responsible. To vote against this amendment would be irresponsible. I urge its passage.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. Mr. President, if you study the sweep of history in the United States and the history of the Presidency, you understand that at times of crisis the President has an opportunity to rally the American people, to summon them to a higher calling and a greater commitment than

they might otherwise reach. Time and again, each President faced with a national challenge has tried his best to do just that.

In this situation, after 9/11, President Bush came to us and summoned the American people to be unified. It was demonstrated in the Senate with a bipartisan resolution supporting our effort in the war on terrorism, an overwhelming vote supporting the President. He summoned us to humility. Many of us joined with the President at the National Cathedral in a day of prayer to recall just what had happened to so many innocent people and to once again remind ourselves of our dependence on our values and our principles and on God Himself.

He also summoned us to courage and the courage that America has to display every day in confronting the war on terrorism.

President Bush also has summoned us to sacrifice. But he has not summoned all of us to sacrifice. He has summoned the men and women in uniform to sacrifice because they literally put their lives on the line every single day in this war on terrorism, in the invasion of Iraq and in peacekeeping afterwards. He has asked these men and women to understand the oath they took to our country and to step forward proudly and defend our flag and our values. That call to sacrifice has been answered affirmatively over and over again while hundreds have been killed in Iraq and literally hundreds and perhaps thousands have been seriously injured.

When it comes to sacrifice otherwise, the President asks little or nothing of the rest of America. I believe if President Bush had come to America and said, I need a spirit of sacrifice from everyone—rich and poor alike, not just those in uniform but every single person—there would have been an overwhelmingly positive response. But no, instead of asking for sacrifice, the President said to the wealthiest in America, to those who are well off and have little discomfort in their lives: We ask nothing. In fact, we will give you something. We will give you a tax cut. We will give you money—not a sacrifice asked of the wealthy and well off but, frankly, to give them more comfort and luxury in their life. That is hardly what the President should have done in rallying America to face this crisis.

Here we stand today, facing the amendment of the Senator from Delaware, Mr. BIDEN, which asks us to look in honest terms at the \$87 billion the President has asked for, for Iraq: \$68 billion for the troops, another \$20 billion for the reconstruction.

We know President Bush and his administration have had no plan when it comes to revitalizing the American economy. This President has lost more American jobs on his watch than any President in 70 years. He has lost more jobs than any President since Herbert Hoover in the Great Depression. Frank-

ly, that is a stain on his performance as President and reflects the fact that all of the tax cuts he has proposed have not revitalized this economy, have not moved us forward and, in fact, have cost us jobs.

It is clear, as well, this administration had no plan when it came to rebuilding Iraq. A few months ago, some of the leaders in this administration were coming forward and telling us we would not even need to be here today to ask for \$87 billion. Secretary Rumsfeld said: I don't expect that we are going to need to ask the taxpayers for money; look at all the oil revenue in Iraq. The same thing was said by Vice President CHENEY and Paul Wolfowitz. All of the men behind the strategy to attack Iraq told us over and over again it was painless, it wouldn't cost us.

We are here today knowing it will cost us. The President told us in his speech to the American people just a few weeks ago: \$87 billion is the cost. This administration had no plan to deal with it and no plan to pay for it.

How will we face this? We will face this as we faced the Vietnam war, a war which was financed by deficits. Instead of cutting spending or raising taxes to pay for the cost of Iraq, we are going to see the national debt increased. We are going to see the funds available for our schools, for health care, for Social Security cut because we have decided we are not going to ask anyone to sacrifice to pay this \$87 billion.

I believe we have a responsibility to stand up and do the right thing, to ask the wealthiest in America to pay their fair share, to say to them: We are not going to give you a tax break that has been promised so the money will be there to pay for this war. It is the responsible thing to do. Instead of pushing this burden on the men and women in uniform fighting today and on our children tomorrow with an increased national debt, we are going to stand for the premise that we should pay for the defense of America; we should pay for the cost of reconstruction in Iraq.

I support the Biden amendment and urge my colleagues to do the same.

The PRESIDING OFFICER. The Senator from New Jersey is recognized.

Mr. CORZINE. Mr. President, I, too, rise to stand in support of the Biden amendment. The concept of shared sacrifice is fundamental to the American life—something all of our predecessors on this floor and the people of America through history have understood. In times of war, we have understood we all have to participate.

It should be no different this time. It is clearly a time when we have not asked for our society to stand up and accept the responsibility—financial responsibility—of standing with those men and women who are sacrificing their lives for us. Instead of actually husbanding our resources so we can carry on that struggle and stand with our men and women in uniform, we are actually undermining that by putting

our financial condition into real jeopardy, both now and for a long time into the future.

In guns-and-butter policy, one that is totally discredited throughout any kind of analysis, whether in the private sector or academia—and it should be here on the floor—we are now facing \$535 billion budget deficits in the coming fiscal year, with budget deficits of that dimension long into the future, borrowing against the retirement security of our seniors and our Social Security trust fund, using the payroll taxes people are reportedly putting into Social Security to protect their retirement to fund tax cuts, at the same time we are actually at war to protect the American people.

It is time for us to husband our resources and make sure we don't sacrifice everything on the homefront, whether it is economic security, retirement security, homeland security; all of these issues are short of funding. We hear about it and we cut it back. We make sure we are very precise there, and then we are not willing, for those who are benefiting most in society, who have actually enjoyed the American prosperity the most, to sacrifice marginal amounts to be able to fund an initiative that is proper to protect our troops and take the responsibility for a broken economy, a broken society that, in many ways, is a responsibility we have had because we entered into this.

I think it is absolutely essential, and I think many of the people who benefit from the reduced tax rates we are talking about not going ahead and executing will benefit more because we will have a sounder economy, and we will create greater wealth in the economy, and they will welcome the idea that they are actually able to share in some of these burdens as we go forward. As a matter of fact, I know that at a personal level, from conversations I have had across this country, there is a desire to be asked to help.

It is really a major mistake, a major shortfall, on our sense of responsibility to the Nation if we don't call for making sure we provide funding for this initiative—this \$87 billion the President has asked for. I stand strongly in favor of the Biden amendment. I encourage colleagues to as well. This Nation believes in shared sacrifice. We should show it by supporting this amendment. I yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

Mr. CONRAD. Mr. President, I want to start by putting in perspective where we are in the fiscal condition of the country as we consider this request from the President for \$87 billion for Iraq.

I think it is important for us first to recognize we already face next year a record budget deficit of \$535 billion. But that really understates the seriousness of the problem because, on top of that, under the President's proposal, we will also be taking \$160 billion of

Social Security trust fund money to pay for other things. That gives a total operating deficit for next year approaching \$700 billion.

Some have said, well, it is really relatively small as a share of our gross domestic product. That is not correct. Fairly measured, the operating deficit next year is the biggest we have had since World War II. If we look at the Social Security trust fund, if we back that out and we treat it the same way in 1983, what we see is the deficit as a percentage of GDP is the biggest it has been since World War II. This is a huge deficit, however measured.

The President has told us these deficits will be small and short term. Wrong again. They are not small; they are huge by any terms, dollar terms or GDP terms. Beyond that, they are long lasting. In fact, according to the President's own analysis, they go on and on and on, and they get worse as the baby boom generation begins to retire. Just over the next decade, we see an ocean of red ink. According to Congressional Budget Office numbers, if we just add in proposals to extend the tax cuts, to add a prescription drug benefit, and to provide AMT reform, there will be deficits of \$600 billion, \$700 billion, as far as the eye can see.

We have a problem of spending and of revenue. The revenue as a percentage of gross domestic product next year will be the lowest since 1950. That is a revenue crisis, as well as a spending problem. If we look at the spending side of the equation, we can see the increases in discretionary spending over the baseline have occurred overwhelmingly in just three areas: defense, homeland security, and rebuilding New York and providing airline relief. In 2003, ninety-two percent of the increased spending is in those areas. I might add those are areas that all of us, on a bipartisan basis, supported.

The President of the United States told us 2 years ago he would virtually pay off the debt. He said by 2008 there would be virtually no publicly held debt left. Now what we see is, instead of the debt being virtually eliminated, we see it skyrocketing. The gross debt of the United States, we estimate, will be \$6.8 trillion by the end of this year. In 10 years, we estimate it will be approaching \$15 trillion—all at the worst possible time. It is the worst possible time because the baby boom generation is going to begin retiring in 2008.

On this chart, the green bar is the Social Security trust fund, the blue bar is the Medicare trust fund, and the red bar is the cost of the tax cuts—those that have already passed and those that are proposed by the President. What this shows is, at the very time the Social Security and Medicare trust funds go cash negative—at that very time, the costs of the President's tax cuts explode, driving us deeper and deeper into deficit and debt.

You don't have to take my word for it, or the Congressional Budget Office's word for it. You can take the Presi-

dent's word for it. Here is the calculation from his budget of what would happen if we followed his proposals, his tax cuts, his spending. What it shows is we never get out of deficit and that the deficits explode. This is as a percentage of gross domestic product—which he prefers to refer to now to try to understate the magnitude of the problem.

Look at what his own analysis shows. It shows these are the good times, even though there are record deficits—the biggest we have ever had in dollar terms, and as a percentage of GDP since World War II. But it is going to get much worse.

The Congressional Budget Office warned us, as the New York Times reported it on September 14:

This course prompted the Congressional Budget Office to issue an unusual warning in its forecast last month: If Congressional Republicans and the administration get their wish and extend all the tax cuts now scheduled to expire, and if they pass a limited prescription drug benefit for Medicare and keep spending at its current level, the deficit by 2013 will have built up to \$6.2 trillion. Once the baby boomers begin retiring at the end of this decade, the office said, that course will lead either to drastically higher taxes, severe spending cuts or “unsustainable levels of debt.”

Just this week, the Committee for Economic Development, major business leaders in the country, the Concord Coalition, and the Center on Budget and Policy Priorities warned of the dangers of the current fiscal course. They said:

To get a sense of the magnitude of the deficits the nation is likely to face without a change in policies, consider that even with the full economic recovery that CBO forecasts and a decade of economic growth, balancing the budget by the end of the coming decade (i.e., in 2013) would entail such radical steps as: raising individual and corporate income taxes by 27 percent; or eliminating Medicare entirely; or cutting Social Security benefits by 60 percent; or shutting down three-fourths of the Defense Department; or cutting all expenditures, other than Social Security, Medicare, defense, homeland security, and interest payments on the debt—including expenditures for education, transportation, housing, the environment, law enforcement, national parks, research on diseases, and the rest—by 40 percent. Beyond the next decade, the tradeoffs become even more difficult.

When we look now to what the President is proposing in this \$87 billion, and we look back at what we were told—remember when Larry Lindsey, the President's chief economic adviser, said it would cost \$100 billion to \$200 billion for our involvement in Iraq, and he was chastised by this administration? The head of the Office of Management and Budget said he was way off. He wasn't way off. He was right on. We are already at \$140 billion for this Iraqi undertaking.

The administration has been wrong, wrong, wrong. They have been wrong repeatedly. They are wrong about the deficits. They said there wouldn't be any. Then they said they were going to be small. Then they said they were small as a percentage of gross domestic

product. They were wrong on each count.

Then they told us: Iraq won't cost much. Here is what Ari Fleischer, the President's chief spokesman, said on February 18 of this year:

And Iraq, unlike Afghanistan, is a rather wealthy country. Iraq has tremendous resources that belong to the Iraqi people. And so there are a variety of means that Iraq has to be able to shoulder much of the burden for their own reconstruction.

What happened? The administration told us Iraq was going to be able to pay, they were going to be able to cover much of the cost of their own reconstruction. Now that proves to be wrong as well.

This administration repeatedly told us the cost of Iraqi reconstruction could be largely borne by Iraq. Here is what the Deputy Secretary of Defense said before the House Appropriations Subcommittee on Defense in March of this year:

The oil revenues of Iraq could bring between \$50 and \$100 billion over the course of the next 2 or 3 years . . . We're dealing with a country that can really finance its own reconstruction, and relatively soon.

Wrong again. And just months later they are asking for \$20 billion, and that is just a downpayment. Make no mistake, they are going to be here asking for more, and they are going to be here asking for more soon because they have already acknowledged they need another \$40 billion or \$50 billion for Iraqi reconstruction. They say they are going to get it from somewhere else. Where else? When we ask them, they say they have a big donors conference coming up. Do you know how much has been pledged? \$1.5 billion. Where is the other \$40 billion or \$50 billion going to come from? They are going to be right back here asking for more.

They misled this Congress. They misled the American people. They did it repeatedly on issue after issue.

Here is what their USAID Administrator, Mr. Natsios, said on April 23 of this year:

That's correct. \$1.7 billion is the limit of reconstruction for Iraq. . . . In terms of the American taxpayer contribution, that is it for the U.S. The rest of the rebuilding of Iraq will be done by other countries and Iraqi oil revenues.

Wrong again. Wrong, wrong, wrong, and not just by a little bit; these folks have been wrong by a lot. Whether it was talking about the deficit or talking about the war with Iraq or the reconstruction of Iraq, this is a record of being wrong; wrong on major point after major point, over and over.

They say to us now:

What we're focused on in the \$20 billion is the urgent and essential things.

The \$20 billion is the urgent and essential things. Really? Let's look. In this plan, there is \$6,000 per radio/telephone. It costs for a satellite phone in this country \$495. It costs for a walkie-talkie \$55. Why when we go to Iraq all of a sudden phones cost \$6,000? A satellite phone, where one can call anywhere in the world, costs less than \$500,

and this administration is coming before this body and saying they need \$6,000 per phone.

They want \$33,000 per pickup truck. We have a lot of pickup trucks in our State. We have more pickup trucks being sold than any other kind of automobiles. The average cost of an award winning American truck is \$15,400, and they want us to spend \$33,000 per truck in Iraq.

They want us to pay \$50,000 per prison bed. In this country, it costs \$14,000 to build a prison bed. I don't know who did these calculations, but they seem an awful lot more eager to spend money in Iraq than they are to spend money in this country. It goes on and on.

They want \$10,000 a month for business school in Iraq. In our country, it costs \$4,000 a month for the best business schools, and we are going to be telling the American taxpayers they should spend \$10,000 per month for business school? Who put these numbers together? Who came up with this plan?

The one that maybe is most incredible of all is the witness protection program. They want \$200,000 per family member. For a family of five, that is \$1 million, and \$100 million to protect 100 families. In our country, the witness protection program costs \$10,000 per witness. In Iraq, this is going to cost \$1 million for a family of five. We don't have a witness protection program like that in this country. We have nothing like it. This is 20 times as much in Iraq.

They want \$333 for 30 half-days of computer training. It costs \$200 in this country.

This doesn't stand much scrutiny. This whole plan doesn't stand much scrutiny, and it is time for us to ask the tough questions. Clearly, this administration has not asked the tough questions.

I just found out they have \$3 billion for water projects in Iraq, when they proposed in our country cutting water projects by 40 percent. They cut the water projects in America 40 percent and put in \$3 billion for water projects in Iraq. I don't think the American people had any idea they were signing up to pay for a ZIP Code in Iraq or to have a witness protection program that costs \$1 million a family or that they were going to be building \$3 billion worth of water projects in Iraq. That wasn't the deal they signed onto. That is the deal this administration wants us to take, and all of this in the midst of the biggest deficits in our history, when we are having to borrow every dime. It does not make any sense. The very least we should do is pay for these costs and not put it on the charge card one more time. That is why the Biden amendment should be supported. He is asking the wealthiest among us to pay it.

This is not a matter of what some people claim of going after the rich. Look, my wife and I are in this category. We pay additional taxes under

this amendment. I am voting it because it is the right thing to do. We should not be increasing the deficit of the United States.

We should not be putting it on the charge card when we already have record deficits. We ought to pony up and pay for the decisions we have made. Paying for this would just be a beginning. We would still have record deficits, by far the biggest in our history. We ought to support this amendment as a sign that we are getting serious about facing up to our fiscal challenges in this country. We also ought to adopt a series of amendments to cut the waste out of this proposal by the administration.

If this measure is not adopted, we ought to support other amendments to pay for these initiatives and other amendments to scrub this whole proposal for the fat and the waste that is so clearly included. It is intolerable to say to the American taxpayer, pay these costs, all of it with borrowed money, all of it to be paid by future generations of Americans. That is not the way we have conducted ourselves in the past, and it ought not to be the way we conduct ourselves now and in the future.

I urge my colleagues to support the Biden amendment.

I thank the Chair and yield the floor.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. It is my understanding that we have 6 minutes 20 seconds remaining on our side.

The PRESIDING OFFICER. Six minutes twenty seconds, correct.

Mr. GRASSLEY. I yield myself such time as I might consume of that amount.

There are three big problems with Senator BIDEN's amendment. One is substantive and two are procedural. Before I go into the problems with Senator BIDEN's amendment, I will say that I agree with everybody's concern, including his, about the size of the package and the concern that we should have about the Federal deficit. Hopefully, as the economy grows—and the last figures indicate it is growing now at 3.4 percent—Federal revenues will return then to their average levels of 18 to 19 percent of the gross domestic product, which is an average of over the last 60 years, and we will close the gap.

I also point to the fact that there are really two sides to the Federal ledger. One is the revenue side; that is, what comes in from the taxes paid by our factory workers, office workers, and farmers from across the America. The other side of the ledger is the spending side of the ledger, the appropriations bills by the Congress of the United States.

My friends on the other side of the aisle, as Senator BIDEN's amendment shows, are zeroing in exclusively on the tax side. They look only to the taxpayers to put our fiscal house in order. I agree with the goal of reducing the

deficit. I disagree that it is appropriate to look at only one side as if what is wrong with America and what is the cause of the deficit is that American taxpayers are undertaxed and that in no way Congress overspends. Indeed, the Finance Committee approved a bill yesterday that included \$55 billion in revenue offsets. So Republicans have been willing to exercise fiscal discipline, especially when it comes to closing corporate loopholes and curtailing tax shelters.

I ask the full Senate, who was the last Democrat to propose any savings on the spending side of the ledger? I do not recall a single spending cut being proposed by those on the other side of the aisle. Maybe back in the mid-1990s, but we would have to go back many years.

All I see, and Senator SANTORUM makes this clear with his spendometer chart, is spending increases. So if those on the other side want to claim to be fiscal disciplinarians, let us see entries on the spending side of the ledger in order for there to be credibility. We cannot just go to the American people and ask for more tax money.

Let me also say that I am concerned about the degree to which taxpayers are financing reconstruction in Iraq on a blank check basis. I first raised this concern almost a year ago. We ought to be very careful about the structure of this aid package. Maybe it should be a loan or have some equity interest for the taxpayers.

Now I would like to turn to Senator BIDEN's amendment. Let us go to the substantive problems first. Senator BIDEN is seeking to offset the President's \$87 billion request with a tax increase. For 2001, the top rate was reduced to 38.6. For 2003, the top rate was reduced to 35 percent. Senator BIDEN's amendment would raise the top rate to 38.2 percent. The premise of Senator BIDEN's position seems to be that taxpayers in the top bracket are solely Park Avenue millionaires, clipping coupons and enjoying life. Well, the facts show quite differently.

According to the Treasury Department, about 80 percent of the benefits of the top rate go to small businessowners, people who create 80 percent of the new jobs in America. For the first time in many years, because of our tax bills, we have that top rate down to 35 percent, which is the very same as Fortune 500 companies. Senator BIDEN's amendment would restore a 10-percent penalty against small business, 38.2 percent, as opposed to 35 percent now for small business, the same as corporations.

I do not quarrel with the notion that taxpayers in the top bracket make incomes starting in the range of around \$350,000 to \$400,000. A lot of these successful small businessowners make those figures. But keep in mind that figure represents the total net income of those small businesses. Successful small businesses are those that purchase the equipment and hire those

new workers that I referred to as 80 percent of the new jobs.

I ask my friends on the other side of the aisle who are eager to raise taxes—they are reluctant to cut spending and eager to increase spending—to focus on the negative effects of their policy on small business. Small business creates many jobs. Why at this time, with high unemployment, would we want to raise taxes on the folks who create 80 percent of the new jobs?

Just yesterday, the Finance Committee, on a 19-2 vote, reported a bill designed to cut the top marginal rate for small business manufacturers to 32 percent. Senator BIDEN's amendment would go the other way and hammer our small business manufacturers.

Now, let's discuss the two procedural problems.

The first procedural problem is also constitutional. Under the Constitution, revenue measures must originate in the House. Senator BIDEN's amendment is a tax increase. It is a clear case of a revenue measure. The Ways and Means Committee has indicated the House will exercise its Constitutional prerogative and "blue slip" this bill if it contains Senator BIDEN's amendment. A blue slip kills this bill. We go back to square one. A vote for the Biden amendment is a vote to stop aid to our troops. It is a vote to stop aid to the Iraqi people at a critical time.

Let me repeat that point. A vote for the Biden amendment is a vote against aid to our troops. A vote for the Biden amendment is a vote against assistance to the Iraqi people.

From my own perspective, as chairman of the Finance Committee, I have to warn members of our committee that the Biden amendment raises a fundamental tax issue on an unrelated bill. The Biden amendment treads on Finance Committee's jurisdiction. Every Finance Committee member should oppose Senator BIDEN's amendment on that basis alone. But, most importantly, this amendment is a reckless attack on our economic recovery and I strongly urge its defeat.

I ask Senators to defeat the Biden amendment and not increase taxes on small business.

Mr. ROCKEFELLER. Mr. President, this amendment is not about whether or not we ought to appropriate the funds that President Bush has requested for our efforts in Iraq and Afghanistan. Rather, this amendment addresses the question of whether this Congress is willing to pay the bill or whether we will pass it on to future generations. I am unwilling to tell the children in West Virginia that I believe they should pay this bill when they grow up when there is a reasonable alternative.

If we do not offset the \$87 billion cost of this emergency supplemental request, then it will be added to our Nation's deficit. Already, without this spending, the Federal deficit for fiscal year 2004 is projected to be \$480 billion. That number is staggering. Prior to

this administration, the largest deficit this government ever had in a single year was \$290 billion. So already, we know that our deficit will be higher than ever before, by a lot. Without this amendment, we would add another \$87 billion to this deficit. Our deficit would hit \$567 billion—almost twice the size of the previous record deficit.

These are not just numbers. Such enormous deficits have consequences. Our children will have to pay these bills. Instead of investing in education or roads or military preparedness for their own generation, they will still be paying the bills for our generation. Already we have saddled future generations with almost \$7 trillion in debt. We absolutely must not add to that debt when this amendment offers an alternative.

We also know that such large deficits will have an impact for our own generation. As Federal debt increases, it will put pressure on long term interest rates, which will hurt every middle class family trying to pay their mortgage. And I am certain that in the coming weeks my colleagues will say that we have to cut spending on education, health care, infrastructure, unemployment compensation, and other critical domestic priorities in order to reduce the deficit. Make no mistake: adding to the deficit today, will increase pressure to squeeze out spending that benefits low and middle income Americans at a time when they are already struggling.

Increasing the burden on low and middle income Americans would be spectacularly unfair. As I travel around West Virginia, I talk to many families who have children serving in the armed forces in Iraq or Afghanistan. Thousands of West Virginians have been called up to serve in the National Guard or Reserves. They are not millionaires. They are patriotic West Virginians with modest incomes, and they are already sacrificing things more valuable than money to make our military efforts a success.

So let me discuss for a moment what sacrifice this amendment asks for. This amendment says that those with incomes greater than \$311,950 should pay a top income tax rate of 38.2 percent in the years 2005 through 2010. Even with this change, the top income tax rate will be lower than it was when President Bush took office. In fact, of the \$690 billion in tax cuts that this President has signed into law that are targeted at the wealthiest 1 percent of Americans, \$600 billion in tax cuts would still be in place. Under this amendment, a person making \$1 million per year would still get a tax cut of more than \$20,000 compared to what he or she would have paid in 2000, prior to this President's tax cuts taking effect. It is not asking for an undue sacrifice to ask a millionaire to settle for a \$20,000 tax cut. I wish there were more people in West Virginia that would see this \$20,000 tax cut, but of course, only the wealthiest fraction of

taxpayers, less than 1 percent, would be affected by this amendment.

I will be supporting this amendment because I cannot explain to children in West Virginia that giving a millionaire a tax cut greater than \$20,000 was more important to me than their future. I hope that my colleagues will think carefully about this stark choice, and join me in supporting Senator BIDEN's amendment.

The PRESIDING OFFICER. The time controlled by the majority has expired.

The Senator from Delaware.

Mr. BIDEN. Mr. President, I think I have some time. If the majority wants more time, that is fine by me. I yield myself such time as I may consume. I want to take a minute or so to respond to my friend, the chairman of the Finance Committee, while he is in the Chamber.

Mr. REID. Will the Senator yield briefly?

Mr. BIDEN. Sure, without losing my right to the floor.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, the author of this amendment has approximately 25 minutes remaining. We have been informed that there is going to be an effort by the majority to have a vote at 3:45 rather than 3:15, which is fine with us. I have also been told that the chairman of the Budget Committee wants to speak for up to 5 minutes. So if there is no objection to that, could we have 5 minutes additional on each side?

Mr. NICKLES. If I might modify the request of the Senator, I ask unanimous consent that the vote occur at 3:45 with 15 minutes allotted to each side.

Now, I was not aware that originally Senator BIDEN, in his eloquent negotiations, already had a 2-hour advantage over this side. There might be a few additional remarks this Senator wants to make which will take a little more than 5 minutes.

Mr. REID. I ask if we could further modify the request of the Senator from Oklahoma by having Senator BIDEN have the last 10 minutes prior to the vote.

Mr. NICKLES. Ten? I will further modify that. I will certainly accede to that. If he has only spoken for 2 hours, we look forward to an additional 10 minutes for the Senator from Delaware.

The PRESIDING OFFICER. Is there objection to the modified request?

Without objection, it is so ordered.

The Senator from Delaware.

Mr. BIDEN. Mr. President, I yield myself as much time as I may consume. Senator GRASSLEY is leaving. I wanted to grab him.

I do enjoy the sarcasm of my friend from Oklahoma, who speaks on this floor about 40 times as much as I do, if he goes and checks the RECORD. Always elucidating, if I might add, always elucidating.

I say to my friend, the chairman of the Finance Committee, I understand

the points he is making. But he is aware, in terms of small businesses, that a small business owner would still have to be in the top 1-percent income bracket, the 35-percent bracket, to be affected? And, of all the small businesses in America, only 2 percent fall in that bracket? Only 2 percent of the 100 percent of the small businesses in America fall in the bracket.

To further make a point, I understand his point that this is the engine of our economy, small businesses. There is no question about that. There is no question, though, as well—let's say a small business owner is making \$400,000 in gross income. The effect of the additional tax he would pay from the tax reduction he has gotten down to now would be \$2,140 a year. Is my friend suggesting we are going to constrain and strangle business in America when 2 percent of the small businesses, roughly 5,000, who make \$400,000 gross income and above, are going to have to pay \$2,100 a year more, that that is going to constrain the growth of small business? Is that what he is saying? Is that going to prevent them from being able to invest or to be able to grow?

Mr. GRASSLEY. I am saying it is unfair to tax small business that is not incorporated at a higher rate than the tax on Fortune 500s, No. 1.

Number 2, this may only be 2 percent of the employers, but they are the people who create the jobs.

Mr. BIDEN. I couldn't agree more.

Mr. GRASSLEY. I have worked at packing plants; I worked at the Waterloo Register Company. I never had one poor person provide the job for me. I always had somebody who makes a lot more money than I do provide the jobs for me. We don't want to choke that off in America.

Mr. BIDEN. I thank my colleague for his response. He is always courteous. I just respectfully suggest that taking 2 percent of the small businesses in America, having them have to pay slightly more than they would have paid with this tax cut that is in place now—which, again, if they are making \$400,000 in gross income, that means about \$2,100 more they will pay—is a heck of a lot more preferable than asking middle-class taxpayers and asking small businessmen who make \$50,000 a year, and mechanics who make \$35,000 a year, and schoolteachers who make \$40,000 a year, to have to pay more.

I find it fascinating that for those who do not like my proposal to deal with the top 1 percent, I have not heard any alternative offered. Are they suggesting we should repeal part of the tax cut or delay part of the tax cut for everybody? No, they make no alternative offer. The alternative offer they make is we are going to add it to the deficit, so the pages can pay. I am going to start calling this the page-pay bill. The pages will pay.

I see my friend from Oklahoma, whom I always enjoy hearing, and he was seeking the floor earlier, so I re-

serve the remainder of my time and await the eloquent words of my friend from Oklahoma as to why this is not a good idea. I am sure he has very many ideas as to why this is not a good idea.

I yield the floor. I reserve the remainder of my time.

Mr. NICKLES. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. NICKLES. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NICKLES. I have just caught a portion of this debate, but I want to make a couple of comments. My very good friend from Delaware said, Why is this amendment a bad idea? This amendment is a bad idea because it is unconstitutional.

We all take an oath at the beginning of the year to uphold the Constitution. I know all of our colleagues are aware of article I, section 7 of the Constitution that says all bills raising revenue shall originate in the House of Representatives, but the Senate may propose or concur with amendments as on other bills.

The House originates tax bills. The amendment of our colleague from Delaware tries to turn an appropriations bill into a tax bill, a tax bill that did not go through the Ways and Means Committee. It certainly didn't go through the Finance Committee. I am on the Finance Committee. So it is unconstitutional.

If this amendment passes, the House will blue-slip it. For people who do not know what a blue slip is, they kill the bill. They will not even consider it. They will not even look at it. It is a great tradition in the House because we have tried it on occasion. Every time it happens, every time somebody tries to slip in a little revenue provision in the bill, no matter how insignificant in comparison to the overall bill, the House loves to blue-slip it and remind the Senate that the Constitution gives them and them only the right to originate revenue bills.

Our forefathers put it in the Constitution. We are sworn to uphold the Constitution. This is a killer amendment. It does not belong in this bill.

If our colleague wants to raise income taxes by 10 percent on the upper income brackets, he can do so. He can introduce a bill. He may or may not get a hearing before the Finance Committee. I hope not, but he might. He may or may not get a markup in the Finance Committee. I hope not, but he might. He might take a bill that is going through the Finance Committee and offer it as an amendment and be successful. I hope not, but he might. Those are all legal, constitutional avenues of raising taxes.

This is not. You don't raise taxes on a spending bill that is going through

the Senate unless the House has a revenue provision. If the House has a revenue provision, then it certainly can be done. So that is one reason. Let's not kill this bill.

I have heard a lot of people say they support the bill. They want to pass the money, they want to assist the troops, they even want to assist the Iraqi people—it is hard to say the Iraqi government; they don't have a government yet, but we are trying to establish a government and I compliment Ambassador Bremer and the President. This is an enormous effort the United States is undertaking. It is challenging; it is expensive. It is expensive in dollars and it is also expensive in blood. We have lost American lives. We have thousands of Americans who are spending their time right now in Iraq, in Baghdad, away from their families, making a significant sacrifice. Now we are trying to say are we going to help them or are we not.

This amendment which purports to say we want to pay for it, but we are only going to have the upper 1 percent pay for it, I don't think is good tax policy. I don't think you can say we just want to sock it to the upper income people.

I heard earlier statements by speakers saying if we do not do this, the deficit is just getting really bad. I happen to be concerned about the deficit, too. But I might note we just passed a couple of appropriations bills and I tallied up the number of amendments to increase spending on those appropriations bills and I didn't hear very much on the other side about concern for deficit. One of the last appropriations bills we passed was the Labor-HHS appropriations bill, and there were amendments, primarily supported by colleagues on the other side of the aisle, that we defeated using budget points of order, that would have increased spending over a 1-year period, next year, \$26.4 billion, and over a 10-year period \$386.8 billion. That was just on the Labor-HHS bill alone. No one was saying the deficit concerns us.

Then on another bill, just to give another example on the Homeland Security bill, Senator COCHRAN's bill, Senator COCHRAN made points of order against amendments to increase spending by \$17.4 billion in 2004 alone, and a total of \$254.1 billion over a 10-year period of time.

I did not hear people say then, we are concerned about the deficit. In other words, they are quite willing to spend more money and bust the budget over the President's request and over what was agreed upon by both the House and the Senate. There was no concern about deficits when we were trying to increase spending in those areas.

Now we have a spending bill before us. This bill is outside the budget. It is requested as an emergency by the President of the United States. It passed the Appropriations Committee as an emergency. I am not saying it is perfect. I will tell you that I doubt it is

perfect. I expect it might be improved. It probably will be improved as we consider it on the floor. But to say we are now going to basically violate the Constitution and have a tax amendment that would really, in effect, kill the bill, I don't want to do that. Nor do I want to increase income tax rates on the upper 1 or 2 percent of American taxpayers. That is a 10-percent increase.

I heard people say that is just delaying it. It is a 10-percent increase. It would take the maximum rate from 35 percent to 38.2 percent. I might mention 35 percent. When Bill Clinton was President, the maximum rate was 31. When he was elected, it was 31 percent. After he passed some tax increases, it went up to 39.6. All these great tax cuts that we have done moved the tax rate down to 35 percent.

President Clinton and Congress at that time reduced the rate of his increase on the upper income by about half. If my math is correct, 35 percent is more than a third. That doesn't include what States charge. If you add State taxes on top of it, you realize some people are paying more than 40-some-odd percent of their income to government. In other words, government is coming closer to taking half of what they make. I disagree with that because I think that suffocates people's initiative and their willingness to build, grow, and expand.

As mentioned by the chairman of the Finance Committee, 80 percent of the benefits on the top income tax rates are really held by small business and sole proprietorships, S corporations, and farms. We would be hitting the very people who are creating the jobs. If we want to have economic growth in this country, the last thing we need to do is say, if you are only a small business, we will sock it to you with a 10-percent increase. I think that makes no sense whatsoever.

I urge my colleagues to vote no on this amendment primarily on constitutional grounds. If this amendment is agreed to, this amendment will be blue-slipped. It would kill the bill, and there would be no assistance coming out of the Senate.

I urge my colleagues not to make that mistake—not to pass a tax policy without consideration certainly of those on the Ways and Means Committee and on the Finance Committee as is the normal order, the way we are supposed to legislate on appropriations matters.

I yield the floor.

I suggest the absence of a quorum, and I ask unanimous consent that the time be charged equally to both sides.

The PRESIDING OFFICER (Mr. CRAPO). Without objection, it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HARKIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARKIN. Mr. President, I understand the vote is to take place at 3:45.

The PRESIDING OFFICER. That is correct.

Mr. HARKIN. I ask between now and the time the vote is called, if we are in a quorum call, the time be charged equally to both sides.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARKIN. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BIDEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BIDEN. Parliamentary inquiry, Mr. President: How much time remains under the control of the Senator from Delaware?

The PRESIDING OFFICER. Seventeen minutes.

Mr. BIDEN. I thank the Chair. Second inquiry: And how much time does the majority have?

The PRESIDING OFFICER. The majority's time has expired.

Mr. BIDEN. And last inquiry: And the vote is set for?

The PRESIDING OFFICER. It is set for 3:45.

Mr. BIDEN. I thank the Chair very much.

Mr. President, I yield myself such time as I may consume, and I expect to consume the remainder of my time now.

The PRESIDING OFFICER. The Senator from Delaware is recognized.

Mr. BIDEN. Mr. President, I expected to—and I did hear—a vigorous defense of the tax cuts today. And I expected to hear that anyone who supports my proposal to pay for this \$87 billion supplemental is someone who is hostile to wealth and success. I did not hear much of that. I heard a little bit of that. And I expected to hear that I am really putting regular folks into the category with Park Avenue wealthy people. I expected to hear that.

Well, think of it this way: If someone today came to the floor and proposed a \$600 billion tax cut for the top 1 percent of the American taxpayers—assume the tax cut had not passed. Just picture this: Someone walked on the floor today, as we are about to vote on an \$87 billion supplemental, and said: I propose a \$600 billion tax cut between now and the year 2010 for the top 1 percent of the American taxpayers—and did it, again, at this moment, when we will have a \$500-plus billion deficit for next year, and expanding national security demands, not decreasing national security demands, well beyond Iraq, and expanding homeland security needs, not diminishing homeland security needs, and while the House of Representatives and the Senate are in con-

ference about to report back, I assume, a multibillion-dollar relief bill as we need for prescription drugs.

If someone came forward today and said, I have an idea; let's diminish the tax burden of the top 1 percent of the U.S. taxpayers—that is, people making an average of \$1 million a year—let's reduce their taxes by \$600 billion, what do you think would happen? Would anyone seriously on this floor say, that is a good idea now, that is a great idea, let's go ahead and do that?

How about if they came to the floor and said, Let's not make it \$600 billion, let's cut their taxes \$689.1 billion, roughly. Would anybody here vote for that today? Would anybody honestly vote for that today?

Today we hear that \$600 billion in tax cuts for the wealthy is not enough. Why do I say that? My proposal only says, instead of giving the wealthiest Americans, that is people making a gross income of about \$400,000 a year, a net income after all the deductions and everything of about \$312,000 a year, you don't even get into this game unless you fall in that category, and people who are making \$1 million a year on average, all I am saying is, give them \$600 billion, not \$690 billion, and don't even touch them until 2005. Have them pay this out in additional taxes, instead of getting 690 get 6 over a 6-year period, beginning in 2005 basically. That is all I am saying.

Today we are told by those who oppose this that, no, we can't afford to do anything except give them a \$688.9 billion limit or the sky will fall, small business will shutter their windows, and the recovery of capitalism, as we know it, will grind to a halt.

Give me a break. I have yet to hear a single economist—this has been floating around now out there, this idea of mine, for the past couple weeks—say this is going to have any impact on the recovery. In fact, the opposite is going to happen. If we add another \$87 billion to the deficit, interest rates will go higher. That is going to short circuit a recovery, not paying out over a 6-year period an additional \$87 billion that is not going into their pockets.

Again, I keep coming back to this point. Even wealthy Americans don't oppose this. A Wall Street Journal poll asked the question, If Congress approves President Bush's request for \$87 billion in Iraq and Afghanistan, how would you prefer that Congress pay for it? Scrap the Medicare drug benefits bill?

Seven percent of Americans, obviously those with Medicare benefits and drug coverage, said, yes, that is a good idea; pay for it by not passing the prescription drug proposal. Twelve percent said to borrow the money. Add to the deficit; go out and borrow it. Make the pages pay. Borrow for it. Twelve percent said that. Twenty-five percent said some other way or they were not sure. A full 56 percent said, cancel, not 13 percent of the tax cut for the wealthiest—I think that is the number—but cancel all of the tax cut for

the wealthiest Americans. They want to take it all away.

I am not doing that. I am saying, keep \$600 billion. Just don't take \$688.9 billion.

Look, I have been here a long while. It is fascinating to me. I keep getting the same lesson taught to me. The American people are always way ahead of us. The \$87 billion in additional revenue we are seeking with this amendment is less than eight-tenths of 1 percent of our \$11 trillion economy.

I challenge any of my colleagues to tell me they honestly believe this is going to slow up this jobless recovery. It won't even have any affect until the recovery is a year and a half underway. Fewer than 1 percent of the wealthiest Americans will even be affected by this change. Keep in mind, this is like my saying to my grandchildren—I have three granddaughters—we are going to go to the ice cream store and, look, pop only has 12 bucks with him. I can only afford three double-dip ice cream cones. I can't afford three triple-dip ice cream cones. So you are only going to get two dips instead of three. It is not like saying: Look, kids, I was going to feed you tonight but you are not going to get to eat. We were going to have hamburgers and french fries and a salad, but all I am going to give you is a salad. Or you can't eat at all. We are not taking away anything. We are just not giving as much.

Again, small business, fewer than 2 percent of small businesses, that is, sole proprietors, the real mom-and-pop small businesses, will even be affected by this. Ninety-eight percent will not be affected.

This is a small, tiny nick in a huge tax cut. It asks for a contribution from those who have the clearest ability to contribute—not because we want to punish them. This isn't about being punitive. It is because they have the clearest capability.

Again, take my granddaughters out. Assume my son was not doing better than I am—he is but assume he isn't—and the kids want an ice cream cone. Why shouldn't pop pay? I have the money to pay for it. It is not going to affect me at all. But if all he had in his whole pocket was 10 bucks for the week, why should he pay when I have 300 bucks in my pocket? This just isn't fair.

Again, I repeat, I don't know any wealthy Americans making \$1 million a year who say, look, I don't want to do this. It is going to hurt me. I am not going to be able to make it. This is going to put a crimp in my style.

Again, let me give you a number. If you have an income of \$400,000 a year—remember, the average income of the people in this bracket is almost a million dollars, 980-some-thousand dollars a year. Let's just put that in perspective. If, in fact, you are making \$400,000 a year and your tax rate is going to go, from 2005 to 2010, back up from 35 to 38.2, what is the effect on your pocket? You pay the difference between 312,

which gets you into the category, and 400, at a higher rate. That is \$68,000, roughly. You have to get to 380-something. How much more taxes does it mean that you pay? Roughly, \$2,100 more a year.

Are you telling me the people making \$400,000 a year are not willing to kick in \$2,100 a year for 5 years beginning in the year 2005—or for 6 years beginning in 2005 to win the peace in Iraq? Boy, do we underestimate these folks. These are loyal, patriotic Americans. They would be ready to do a lot more if we needed them to do it. But \$2,100, if you make a million dollars? I asked my staff to do a back-of-the-envelope calculation. Let's say the poor guy who has no deductions—"poor" guy—the rookie who signs a contract for \$1.150 million. Guess what. After standard deductions because of the loopholes and the other things the wealthiest among us in this country have, he has a real taxable income of a million dollars. How much more is he going to have to pay? Roughly \$22,000. That is going to kill him, right? Does that mean you don't have a gold-plated toilet seat? What does it mean?

Again, I am not hearing any of these wealthy folks complain. I am hearing everybody complain in their name, but I don't hear any of them complain. Let me tell you, I have been doing this a long time. Few times have I ever stood on the floor, with CNN watching, saying if there is anybody who is making over \$400,000 a year who is not willing to pay \$2,100 more to win the war, call me. No one is calling me. I don't get this.

I don't think these folks who will be affected by this tax change will begrudge one nickel of this \$87 billion. So I say to my colleagues, if we don't do this now, pay for this installment in the war now, taking a small part of the tax cut, when we have a national security emergency supplemental request from the President, when the deficit is skyrocketing to over half a trillion dollars a year, are there no circumstances ever when it will be right to reconsider less than 5 percent of the biggest tax cut in history?

My time is almost up. It seems to me we are at a place where responsibility dictates that we be rational and not ideological, we pay now instead of just putting this on the tab for the pages on the Senate floor, that we don't ask our children to pay for our security, and we pay for our security and our children's security.

This, to me, is the most inexplicable opposition to anything I have ever been involved with on the floor of the Senate.

I believe my time has expired. I urge my colleagues to vote for the Biden-Kerry amendment. I thank the Chair and yield the floor.

The PRESIDING OFFICER. The Senator from Alaska is recognized.

Mr. STEVENS. Mr. President, for the reasons previously stated on this side, I move to table Senator BIDEN's

amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to the motion.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. REID. I announce that the Senator from Florida (Mr. GRAHAM) is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 57, nays 42, as follows:

[Rollcall Vote No. 373 Leg.]

YEAS—57

Alexander	DeWine	McConnell
Allard	Dole	Miller
Allen	Domenici	Murkowski
Baucus	Ensign	Nelson (NE)
Bayh	Enzi	Nickles
Bennett	Fitzgerald	Pryor
Bond	Frist	Roberts
Breaux	Graham (SC)	Santorum
Brownback	Grassley	Sessions
Bunning	Gregg	Shelby
Burns	Hagel	Smith
Campbell	Hatch	Snowe
Chambliss	Hutchison	Specter
Cochran	Inhofe	Stevens
Coleman	Kyl	Sununu
Collins	Lincoln	Talent
Cornyn	Lott	Thomas
Craig	Lugar	Voinovich
Crapo	McCain	Warner

NAYS—42

Akaka	Dorgan	Lautenberg
Biden	Durbin	Leahy
Bingaman	Edwards	Levin
Boxer	Feingold	Lieberman
Byrd	Feinstein	Mikulski
Cantwell	Harkin	Murray
Carper	Hollings	Nelson (FL)
Chafee	Inouye	Reed
Clinton	Jeffords	Reid
Conrad	Johnson	Rockefeller
Corzine	Kennedy	Sarbanes
Daschle	Kerry	Schumer
Dayton	Kohl	Stabenow
Dodd	Landrieu	Wyden

NOT VOTING—1

Graham (FL)

The motion was agreed to.

AMENDMENT NO. 1802

Mr. COLEMAN. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER (Mr. SMITH). The clerk will report.

The legislative clerk read as follows:

The Senator from Minnesota [Mr. COLEMAN], for himself, Mr. BYRD, Mr. DAYTON, Mr. STEVENS, Mr. LEAHY, Mr. DORGAN, Mr. KENNEDY, Mr. JOHNSON, Mr. CORZINE, Ms. COLLINS, Mr. GRAHAM of South Carolina, Mr. CONRAD, Mr. SUNUNU, and Mr. ALLEN proposes an amendment numbered 1802.

Mr. COLEMAN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To fund travel within the United States for members of the Armed Forces on rest and recuperation leave from a deployment overseas in support of Operation Iraqi Freedom or Operation Enduring Freedom)

On page 22, between lines 12 and 13, insert the following:

SEC. 316. (a) In addition to other purposes for which funds in the Iraq Freedom Fund are available, such funds shall also be available for reimbursing a member of the Armed Forces for the cost of air fare incurred by the member for any travel by the member within the United States that is commenced during fiscal year 2003 or fiscal year 2004 and is completed during either such fiscal year while the member is on rest and recuperation leave from deployment overseas in support of Operation Iraqi Freedom and Operation Enduring Freedom, but only for one round trip by air between two locations within the United States.

(b) It is the sense of Congress that the commercial airline industry should, to the maximum extent practicable, charge members of the Armed Forces on rest and recuperation leave as described in subsection (a) and their families specially discounted, lowest available fares for air travel in connection with such leave and that any restrictions and limitations imposed by the airlines in connection with the air fares charged for such travel should be minimal.

Mr. REID. Mr. President, will the Senator withhold for a minute?

Mr. President, I ask unanimous consent that Senator LEAHY be recognized following the disposition of the Coleman amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, I ask unanimous consent that Senator BYRD be added as a cosponsor to Senator COLEMAN's amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Minnesota.

Mr. COLEMAN. Mr. President, the Pentagon has rolled out a program to bring home troops who have served in Iraq for over a year. It is a good program. Under the Rest and Recuperation Leave Program, these service men and women will get a much deserved 2 weeks of R&R with their families. Unfortunately, the program only provides for transportation to places such as Baltimore, Atlanta, Dallas, or Los Angeles. From these cities, our service men and women are expected to pay their own way home at same-day rates.

Chad Krandall and Dave Schmaltz, cousins and Minnesota National Guard members from Gwinner, MN were told the price of a same-day ticket from Baltimore to Minneapolis-St. Paul would be \$1,200 each. Steven Bazaard, another Guard member from Minnesota, was faced with a similarly high bill if he was to make it all the way home to see his wife Sherry Billups in Blackduck, MN. Isaac Girling, a member of the 142nd Battalion in Iraq, will have to pay the same exorbitant fee when he comes home next week to Stillwater, MN to see his newborn son for the first time.

I don't have anything against Baltimore, Atlanta, Dallas, or Los Angeles. But to be perfectly frank, these cities can't really hold a candle to Blackduck or Gwinner, and they are a long way away and expensive to travel to.

This R&R program is a good start, but it doesn't go far enough to support our troops. These are families which

have already made do for a year without their loved ones, and the toll has been both emotional and financial. To ask them to pay same-day airfare to see their loved ones is simply unfair.

If we acknowledge that troops who have been in Iraq for a year deserve a 2-week vacation like anyone else, we ought to make sure they get all the way home. That is what we are talking about here—making sure our service men and women who have performed so admirably, have sacrificed so much in defense of their country and in defense of freedom, get all the way home.

I have introduced, along with the distinguished chairman, Senator STEVENS, and my friend and fellow Senator from Minnesota, Senator DAYTON, an amendment to fix this unintended consequence of the R&R program. We have broad bipartisan support, including Senators BYRD, DAYTON, ALEXANDER, CHAMBLISS, COLLINS, CONRAD, CORZINE, CRAIG, DEWINE, DOMENICI, DORGAN, ENSIGN, ENZI, GRAHAM of South Carolina, GREGG, JOHNSON, KENNEDY, MURKOWSKI, SANTORUM, SUNUNU, STEVENS, and ALLEN.

The chairman and his staff on the Appropriations Committee have been very gracious in working with me to craft a good amendment to make sure our troops and their families do not have to pay these high rates.

This amendment will not have any budgetary consequence. It will simply make sure existing funds are used for this essential program to boost troop morale and to reunite families separated by this engagement. This amendment is the right thing to do.

I notice my friend and colleague, the senior Senator from Minnesota, Senator DAYTON is here. I yield the floor at this time to Senator DAYTON.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. DAYTON. Mr. President, I thank my distinguished colleague, Senator COLEMAN, who joined with great minds which think in the same direction. We introduced this legislation on the same day. I am proud to be joining with Senator COLEMAN in the Coleman-Dayton amendment to provide for transportation to homes and places of origin for our troops, many of whom, in the case of Minnesota, have just had their tours of duty in the Iraqi theater extended by 6 months. In the case of the 142nd Battalion, it covers northwestern Minnesota and North Dakota. As a result of this extension and this deployment and administrative matters, many of them will not see their families for up to 18 months. To drop them off at the Baltimore airport and tell them they are going to be on their own at that point and at their own expense to try to get back and see their families for their one opportunity in nearly 18 months I think would be shameful. I think the American people are more generous than this. I think under these circumstances it is the least we can do.

I thank the Senator from Minnesota for his leadership on this matter, and I am glad to sponsor it with him.

I yield the floor.

Mr. COLEMAN. Mr. President, I say to my friend and colleague, Senator DAYTON, that the two folks from Minnesota understand it is really good to get home—and also the folks from Alaska and Idaho. This amendment does that.

I urge adoption of the amendment. I yield the floor.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Mr. President, I want to commend both Senators from Minnesota for sponsoring this amendment. If they have no objection, I ask unanimous consent to be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CONRAD. Mr. President, I express my support for this amendment—which is very similar to an amendment I had filed earlier—to pay for the travel home of U.S. troops currently serving in the Iraqi theater of operations. I am pleased to join in cosponsoring the amendment.

The Department of Defense recently announced that it would grant soldiers on 12-month deployments as a part of Operation Iraqi Freedom 15 days of rest and recuperation leave. About 270 soldiers a day are now arriving in the United States to begin their leave period. At the present time, these troops are required to pay their own way home from their port of debarkation—right now, Baltimore-Washington International Airport. It says something about the priorities of the Department of Defense that while they are asking Congress for another \$87 billion for war and reconstruction in Iraq and Afghanistan, they are also making soldiers on leave pay for their transportation home and back.

Many of these soldiers are members of the Reserves and National Guard. Many of those citizen soldiers have recently learned that, because the administration has been unable to mobilize sufficient international support to ease the burden on American troops, they will be required to spend a full 12 months in Iraq. This is in addition to the 2 to 3 months they spent away from home training for their mission. Despite the shifting dates for their return home, our American service men and women have served with courage and distinction in terrible conditions.

Soldiers from the 142d Combat Engineering Battalion, a North Dakota National Guard unit, have already begun coming home on leave. The first soldiers chosen for leave were very concerned that they might have to pay well over \$1,000 to buy a ticket home from Baltimore. I was very pleased that Northwest Airlines, the main provider of air travel to North Dakota, was able to respond to my request to offer reasonable priced tickets to these brave soldiers.

But this should be only a temporary measure. I urge the Senate to now clear the way for full government funding of the travel expenses for our

troops on leave, including those that will take leave before we are able to complete our legislation, by adopting this amendment. In working on this amendment, I wanted to be sure we avoided creating an unfair disparity between soldiers. We will not likely conclude action on this supplemental until the tail end of October, and by that time several thousand soldiers will have already paid for their own travel home. It seemed unfair to me that these soldiers should be forced to pay their own way while those who traveled later would go at government expense.

Our troops in Iraq have been serving under difficult conditions, and they deserve our full support. I greatly appreciate Chairman STEVENS' willingness to include this important issue in the supplemental appropriations bill. I am happy that we were able to work together to provide for the travel expenses of our brave soldiers serving in Iraq.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1802) was agreed to.

Mr. LEAHY. I move to reconsider the vote.

Mr. COLEMAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LEAHY. Mr. President, what is the parliamentary situation?

The PRESIDING OFFICER. Under the previous order, the Senator from Vermont is recognized to offer an amendment.

Mr. LEAHY. I thank my friend, the distinguished Presiding Officer.

AMENDMENT NO. 1803

Mr. LEAHY. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Vermont [Mr. LEAHY] for himself, Mr. DASCHLE, and Mr. BIDEN, proposes an amendment numbered 1803.

(Purpose: To place the Coalition Provisional Authority in Iraq under the direct authority and foreign policy guidance of the Secretary of State)

On page 25, line 21, before the colon, insert the following:

: Provided further, That beginning not later than 60 days after enactment of this Act, the Administrator of the Coalition Provisional Authority shall report to and be under the direct authority and foreign policy guidance of the Secretary of State.

Mr. LEAHY. Mr. President, this is a very simple amendment. That is why I didn't follow the usual procedure where amendments are simply deemed read. This was a short enough one that I wanted it read.

It does what many of us feel we should have done 5 months ago when we appropriated the first \$2.5 billion in foreign aid for Iraq. At the time we gave that very substantial amount of foreign aid to Iraq, many of us urged the Secretary of State—not the Sec-

retary of Defense—should have authority over the reconstruction program.

No matter who is Secretary of State, no matter who is Secretary of Defense, when you are going to give enormous amounts of foreign aid for reconstruction, the aid should be under the Department of State. After all, foreign aid is the responsibility of the State Department. Also, it is the responsibility of USAID. That is what they know how to do. That is what their people are trained to do.

It is not what the Pentagon does, nor, for that matter, is it what the Pentagon should be doing. The Pentagon is trained in military combat. In fact, our forces, the men and women in the Army, Navy, Air Force, and Marine Corps, are the best trained, the best equipped, best motivated of any military in the world. Obviously, they showed they can easily defeat other military forces as they did in Iraq.

While they are trained for war, the State Department is trained to work to rebuild. In this case, as superb as the military role was, their leadership disregarded the preparatory work the State Department and USAID had done in planning for after the war. The problems they now face reflect that.

I am concerned we are putting our men and women in the military in an impossible situation. They are being asked not only to provide security, but to also oversee the reconstruction.

I have a lot of respect for Ambassador Bremer. I have known him and worked with him on terrorism and other matters over the years. He did a good job last week when he testified before the Appropriations Committee. Like a lawyer arguing the brief for his client, he argued well. But Ambassador Bremer's office, which is located in the Pentagon, until very recently was not capable of responding to our questions. The questions we were asking were not how many divisions might move here or how many tanks, airplanes, helicopters, men and women under arms can move, but, rather, how can we do a better job of getting water, and electricity, and other aid to the Iraqi people?

We saw the reconstruction plan, apparently a Pentagon plan, an 8-page document. When it came out a couple months ago, none of us on this side of aisle received it.

Now that we have seen it, I understand why they didn't want everyone to have it. It is embarrassingly illustrative of the administration's postwar strategy. There was no postwar strategy. All the strategy led up to winning in Iraq. Everyone knew how that would come out. Of course we would defeat the broken Iraqi army. Everyone knew we were going to win. This was not World War II. But, amazingly enough, there was no strategy for what happened after we won.

I am not among those who believe everything we have done in Iraq has been a failure. There has been progress. For one thing, I am glad Saddam Hussein is

not here. He was a murderous tyrant. Members of the administration now talk about the murderous conduct of Saddam Hussein when he used chemical weapons against the Kurds—something many Members were outraged about at the time—and they seem to forget the administration they served at that time turned a blind eye to that and continued to give aid to Saddam Hussein.

Having said that, now I think everyone, whether those in the Congress or the administration who supported Saddam Hussein over the years, we all agree—all Republicans, all Democrats agree—he was a tyrant and it is good he is gone. That is progress.

We have begun to train a new army and police force and so on. That is progress. But we were told this spring that the amount of money for the aid program would be very small. Now we are asked to increase our aid program ten fold, with virtually no controls on how the money will be spent.

So, we got into the war, we had no plan for what we would do afterwards, we have real problems now, and now they want a blank check to take care of it. We will pay \$33,000 each for pickup trucks that sell for \$14,000 here, and we will pay \$6,000 for telephones you can buy in the neighboring country of Jordan for \$500 or \$600. We will pay \$50,000 a bed for a prison although that is far more than we would in the United States. We will repair their power infrastructure although we do not have money to do the same in the United States. We will build a whole lot of new schoolhouses although we do not have the money to fix our dilapidated schools. We will build state-of-the-art hospitals even though we do not have the money for new health clinics in parts of the United States. And we are told: Just give us the money and trust us; we know what to do.

In my State, we do not sign blank checks. I am sure we will give money for foreign aid even though we do not have the money to do the same things in the United States.

Simply spending more money does not get us back on track. We need a real plan, and we need the right agency in charge. That is why this amendment is so short. It is one sentence. It simply puts the Coalition Provisional Authority—and I assume that will be Ambassador Bremer although I am not doing this on an ad hominem basis—simply put the coalition provisional authority, Ambassador Bremer, who has been working around the clock to carry out our interests there, under the foreign policy guidance and direction of the Secretary of State. It would provide 60 days after enactment to give the State Department time to put in place the people it needs.

Does that mean the Department of Defense no longer has any role in reconstruction? Of course not. They obviously will be consulted on a continuous basis. Everyone knows nothing can be

built unless there is security to prevent attacks on contractors and aid workers and to prevent sabotage to the projects themselves. We are fortunate to have a superb military there to provide that kind of security. But that is what the Defense Department should be doing, providing the security but not trying to oversee foreign aid projects. That is not what they are trained to do.

It is unfair to our men and women in the military to ask them to do that. It was a mistake in the first place when we asked them to do it. We should not repeat that. Let us not ask the Department of Defense to suddenly become the State Department, AID, and the general dispenser of foreign aid. They are so well trained to do the things they do. Let those who are trained to handle foreign aid and the projects of reconstruction be there.

It is also worth noting, when you look at the civil affairs units in the Defense Department, almost all of them are composed of National Guard and Reserve units. Ironically, to the extent you are going to use the military for the nation building we are doing in Iraq—we are doing nation building in Afghanistan, and Lord knows where else—these are the men and women in uniform who are best equipped for the nation building we are doing in Iraq.

So we either have to keep these National Guard and Reserve forces in Iraq indefinitely—and I think the majority of the Members of both parties here do not want to see that happen—or we have to get the State Department and USAID more involved in doing nation building. I favor the latter approach. That is what my amendment would do.

I do not think we should continue to rely on these National Guard and Reserve units to do the long-term development work that should be done by others. Let that be done by the Department of State and AID, and let the Department of Defense provide the security for those who are doing the reconstruction in Iraq.

Some might ask if the Secretary of State wants that authority, given what a thankless job it is becoming in Iraq. I do not know. If he gets the authority, I will offer him not congratulations but condolences.

I see my dear friend.

Mr. WARNER. Mr. President, might I answer my colleague's very insightful question as to what the Secretary of State has in mind.

I have just been in consultation with his office, upon learning of my distinguished colleague's amendment. Very shortly there will be a written communication coming to the leadership of the Senate expressing, without any equivocation, that he feels strongly that the Department of State, at this time, should not be given the responsibility. But there will come a time, I say to my distinguished colleague—an appropriate time, and perhaps without further interruption to your opening remarks—I could engage the Senator in

a colloquy to discuss perhaps an alternative measure at some future time.

Basically, it would be after the Iraqi Government is in place and the United States would, at that time, indicate an individual to become the U.S. Ambassador, at which time there could be an orderly transition from the Department of Defense to the Department of State.

My concern, I say to my friend, is that it has taken Ambassador Bremer some 3 months now to gain the momentum he has. We have a critical issue before this body at the very moment of whether or not the additional funds will hopefully immediately be forthcoming. That decision will be finally made next week. I strongly support it, to continue that momentum. A shift at this time would result in loss of momentum.

I conclude my few remarks at this moment by saying, throughout the testimony and private discussions with Ambassador Bremer, which I am sure my colleague from Vermont has had, he has constantly said that the danger to the coalition forces—that danger being indelibly impressed on us every day with the announcement of a loss or an injury to members of the uniformed services, and indeed others—David Kay is, at this moment, before committees of the Congress. In conversations with me, he has expressed the danger to his operation daily by their transit down these motorways and otherwise.

The direct correlation of reducing the danger to our troops, to the Iraqi special survey group headed by David Kay, and to others performing NGO operations—this whole panoply of people—there is a direct correlation between the speed and the momentum that the Bremer operation has brought up to replace the infrastructure and the lessening of the personal risks to individuals.

Mr. LEAHY. Mr. President, the senior Senator from Virginia is not only one of the best friends I have in this place, and has been for the years that we have served together, but I also know he is one of the hardest working Members of the Senate.

As I mentioned earlier in my opening statement, I am not suggesting for a minute that Ambassador Bremer, for whom I have high regard, be replaced. I am simply saying that it is not a question of whether the Secretary of State should take this now or later; the fact is, this is his job. He should have been doing it from the beginning. We are not changing horses in midstream.

Incidentally, speaking of Mr. Kay and others, I also stated, prior to the Senator from Virginia coming to the floor, that, of course, the military would have to stay and provide the security so these people can continue to work. I am just saying, insofar as we are doing nation building, let it be done by the State Department, as we always have, and not think that somehow we can go solely as a military au-

thority and then have this country suddenly, one day, become a democratic nation, and only then will we bring in the State Department to give aid.

I have looked at the plan. The plan said it was to give the Iraqi people the opportunity to realize President Bush's vision. We may want to ask them if that is exactly the vision they want. But be that as it may, this is not changing horses in midstream. We are getting on the right horse, in fact, the horse that has taken us across the stream for the last 50 years.

Every major postwar reconstruction effort since the Marshall plan has been under the auspices of the Secretary of State, not the Secretary of Defense: Afghanistan, Kosovo, East Timor, Bosnia, Cambodia. Even during the middle of the Vietnam war, economic aid was handled by AID.

I am thinking of an article on July 24, referring to an assessment by outside experts, commissioned by the Pentagon, who warned that the window of opportunity for postwar success is closing. The Philadelphia Inquirer reported that: After initial deals for reconstruction stalled, it was time for plan B but there was no plan B.

I would hope the plan B that was written on July 23 is not it. I have a plan B. It is called the Secretary of State. Put the Department of State in charge of the reconstruction. Not the military part, of course. The military is going to be there for some substantial period of time—we know this—but allow them to do the things they are good at. They are not trained, nor should they be, to become a governing power, to become nation builders.

Mr. WARNER. Mr. President, if I could probe my colleague, as I read this, it states very clearly:

Provided further, That beginning not later than 60 days after enactment of this Act, the Administrator of the Coalition Provisional Authority shall report to and be under the direct authority and foreign policy guidance of the Secretary of State.

As I indicated, the Secretary is very much opposed to this amendment. We will very shortly have that evidence before the Senate. But it is clear from the reading of this that the \$21 billion which is before this body right now as a part of the 87—and it remains a part; that issue has been addressed—would now be transferred to the Department of State for, frankly, writing all the checks, working on the allocation of priorities, the coordination with the military structure under the Secretary of Defense and General Abizaid, the CENTCOM commander. The whole thing is lifted and put under the State Department in 60 days after this, should it be enacted. Am I not correct?

Mr. LEAHY. No, the Senator is not correct. The implication is that somehow my amendment would put everything under the State Department. We are being asked to provide over \$80 billion. Roughly three-quarters of that goes to the Department of Defense. Nobody is asking anybody but the Department of Defense to handle it. We are

saying the \$20 million of foreign aid—one of the largest foreign aid packages I have ever seen—the \$20 billion of foreign aid that is brand new would be overseen by the State Department. We want to make sure that the Iraqis do not feel this is a long-term military operation.

People should know, my amendment doesn't stop the President from allocating and reallocating reconstruction funds to any agency, including Defense, but State would have oversight of that. It doesn't shut down the Coalition Provisional Authority. It doesn't require big changes there.

Mr. WARNER. Would the Senator be more explicit?

Mr. LEAHY. As I have said before, I am glad Ambassador Bremer is there. It doesn't micromanage the reconstruction effort. It doesn't create a disruption of any of the programs that are there. But it does say when we want to ask how these aid programs and reconstruction programs are going, we ask the questions of our State Department, the Department that has had this responsibility and expertise, and the Department that has always done this from the days of the Marshall plan on.

My friends keep saying, this is just like the Marshall plan. Well, there are some big differences. One, the Marshall plan didn't ask us to pick up the whole tab as this does. That was a dollar-for-dollar match. Some of it was in loans. It wasn't done immediately after the war. It took many hearings, hundreds of witnesses. And then working with the President, there was a congressional oversight committee that actually had input from both parties, both Republicans and Democrats, unlike the situation here with the 8 page plan that we were given two months later.

Mr. WARNER. Mr. President, if the Senator would enable me to bring to the attention of the Senate a communication at this point in time from the Department of State, it might be helpful. As I read the amendment, it is clear to me that Bremer would now report to the Secretary of State.

Mr. LEAHY. That is true.

Mr. WARNER. There is no provision that he continues a direct chain to the Secretary of Defense. That structure, from Bremer right on down through his organization, would now be reporting to the Secretary of State. Am I correct in that?

Mr. LEAHY. Yes, but it does not shut down or require changes in the central command. It doesn't require any military to report to the Secretary of State.

Mr. WARNER. The Senator has made that eminently clear. I think right now we are looking at the coalition operation under Bremer now being transferred in its entirety and reporting to the Secretary of State. That organization, under Bremer at the present time, composes, indeed, contributions of a number of personnel from the Departments of State and Defense. It is sort of a coalition within itself of our Fed-

eral departments and agencies. Our coalition partners, primarily Great Britain, are integral participants.

How would they feel if suddenly they awakened and determined that no longer does their deputy to Bremer from Great Britain report to the Secretary of State? This is a very significant and major change that our distinguished colleague is proposing.

In response, the Department of State, through its Assistant Secretary of Legislative Affairs, addressed our colleagues in the Senate by saying the following:

Thank you for the opportunity to comment on Senator Leahy's proposed amendment to the FY 2004 Supplemental that would transfer control of the Coalition Provisional Authority (CPA) from the Department of Defense to the Department of State. While we appreciate Senator LEAHY's confidence in the State Department, we are opposed to the amendment.

That is very clear and unequivocal.

The decision to establish control of Iraq's reconstruction through the Department of Defense was made because military operations were and are ongoing in Iraq. The immediate objective was to establish a secure and safe environment in Iraq. Restoring basic services and creating conditions for economic growth could not take place until this environment was established.

For unity of effort and command, it was judged—and this judgment was from the President on down—

the Department of Defense would be the most appropriate department in which to place CPA. The State Department fully expects to resume control of traditional development efforts in Iraq once the security situation is fully stabilized and an elected government is in place.

Thank you again for the opportunity to comment on Senator Leahy's amendment. We will be pleased to provide any additional information you might require.

I ask unanimous consent that this letter be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U. S. DEPARTMENT OF STATE,
Washington, DC.

DEAR CHAIRMAN MCCONNELL: Thank you for the opportunity to comment on Senator Leahy's proposed amendment to the FY 2004 Supplemental that would transfer control of the Coalition Provisional Authority (CPA) from the Department of Defense to the Department of State. While we appreciate Senator Leahy's confidence in the State Department, we are opposed to the amendment.

The decision to establish control of Iraq's reconstruction through the Department of Defense was made because military operations were and are ongoing in Iraq. The immediate objective was to establish a secure and safe environment in Iraq. Restoring basic services and creating conditions for economic growth could not take place until this environment was established.

For unity of effort and command, it was judged the Department of Defense would be the most appropriate department in which to place the CPA. The State Department fully expects to resume control of traditional development efforts in Iraq once the security situation is fully stabilized and an elected government is in place.

Thank you again for the opportunity to comment on Senator Leahy's amendment.

We will be pleased to provide any additional information you might require.

Sincerely,

PAUL V. KELLY,
Assistant Secretary,
Legislative Affairs.

Mr. LEAHY. Mr. President, I also see what the National Security Adviser said, and I quote:

The President must remember that the military is a special instrument. It is lethal, and it is meant to be. It is not a civilian police force. It is not a political referee. And it is most certainly not designed to build a civilian society.

Dr. Rice said that.

The Washington Post reports that the diplomats on Ambassador Bremer's staff in Baghdad report directly to him, not to Washington, which is true. The Secretary of State, Colin Powell, has told the press he has to rely on newspapers and the diplomatic reports of other nations to keep abreast of developments in Iraq. Maybe they don't like the job, but that is what the State Department is designed to do. I have had times when somebody said I had to sit in this hearing for 4 hours because I was either chairman or ranking member of the committee, and I said, I don't want to, I would rather go to Vermont, or I would rather go hunting on my farm, or do other things. But you know what? It is my job, it is a job I was elected to do, and I have done it.

I am sorry if the State Department feels they don't need to do their job. Maybe they have too many people. Maybe we are spending money we don't need to there. I mean, this is what they do in Afghanistan. This is the role they have played in every post-war situation since the Marshall plan.

I ask, what is so different about Iraq? Suddenly, we are breaking 50 years of precedent and they don't want to do what they are supposed to do. I am worried, why don't they want to do their job? Are they concerned that they could not do it better than it is being done now? I would hope they could, or else we are spending an awful lot of money at the State Department that we don't need to spend.

Mr. WARNER. Mr. President, in response to my colleague, the Marshall plan is, in clear terms, a precedent for what the policy decisions of our country are, as embraced in the request for this \$21 billion and in the future. But there is a clear distinction. The Marshall plan came in years after the fighting had stopped. As you and I are now in this colloquy on the floor of the Senate, that fighting is going on right now—hundreds of thousands of coalition forces—over a hundred thousand—and many civilians are subjected to the constant threat by this polyglot of former Baathists, former associates of Saddam Hussein, terrorists are moving in.

This is a tough situation and there is daily communication between Ambassador Bremer and the military. They have worked side by side. In fact, you visited there, as I have. Their offices are just across the hall from one another.

(Mr. CORNYN assumed the Chair.)

Mr. LEAHY. If I may respond on that, as I have stated over and over again—and I will state it again for my good friend, who I refer to as “my Senator” when I am away from Vermont because I live part of the time in his beautiful Commonwealth. We are not asking the military to not do the job they do, and do well; we are not asking that they stop providing security or to not continue to hunt for Saddam Hussein or those connected with him. What I am saying is that they ought to be freed up to do that job. But they should not be doing the nation building the administration wants, which is our President's vision for Iraq. Let's give that job back to the people who are trained to do it.

I know the distinguished chairman of the Armed Services Committee does not want to see our military there forever as an occupying force. He and I totally agree on that. He and I totally agree that our military is the finest in the world, and they have done extraordinarily well there. I think we have them stretched pretty thin in a lot of areas.

I am saying, let the military do the military work; let the State Department do the foreign aid work; and if the State Department is unwilling to do the kinds of things they are trained for, which they tell us year after year they need hundreds of millions of dollars more to do, then maybe we don't need them.

Mr. WARNER. Mr. President, if I might address the comment about letting the State Department do its traditional responsibilities, I am referring to testimony before the House of Representatives on September 30, when the Deputy Secretary of State, Secretary Armitage, appeared. He made the following observations. He said that Ambassador Bremer and Secretary Powell speak to each other on the phone occasionally but they e-mail each other if not every day, pretty close to that.

He was asked what the role is in postwar Iraq. He said: We have 42 officers there now—42 State Department officers. I don't want to make light of it. Both Ambassador Bremer and his second, Clay McManaway, are both State officers. The guy who is running the show with the railroad is Pat Kennedy, one of the administration officers. So the State Department is heavily involved at the current time. The other officers from the Department of State are spread out not only in I&L but we have Mike Felia down in the southeastern region working with the Shia. We have others with the Kurds.

Ambassador Bremer has asked us to come forward with another approximately 60 officers and that we will be able to fill many more of these provinces with State Department officers, the high majority of which will be there with three or four language-speaking capabilities.

I say to my colleague, there is the closest of relationships with the Secre-

taries of State and Defense and directly between the Secretary of State and Ambassador Bremer. As he points out very clearly here, Deputy Secretary of State Armitage and the principal deputy to Ambassador Bremer are now officers on loan from the Secretary of State to the CPA. I urge my colleagues who are following this debate to think for themselves about the consequences of the loss of reconstruction that this would entail. You cannot make the shift in that point of time, and, to me, it would bring a greater threat personally and endangerment to the life and limb of not only the coalition forces in uniform but thousands of civilians who are working in various capacities to bring about the goals of peace and turning over this nation to the Iraqi people.

Mr. LEAHY. Mr. President, I am getting the impression that my distinguished friend, the senior Senator from Virginia, is not in agreement with my amendment and would like to keep the status quo, at least for now.

I respond that the current structure has not worked well. Between the two of us, we have a half century of listening to people testify. The Pentagon has said over and over again—certainly in a lot of the hearings I have had and I am sure that the Senator from Virginia has had—that they are not a foreign aid agency. The Pentagon is not a foreign aid agency.

I think the experience of the past 5 months in Iraq confirms that. They came in there without a plan, a post-war plan. I believe they miscalculated terribly and they put our soldiers in a vulnerable position.

I yield to nobody in this body in my admiration of the men and women who are in Iraq, the members of our military, but the administration put them in an untenable position. They have to maintain order, fight terrorists, build schools and sewer systems, and do all that simultaneously. Let the military and the Secretary of Defense focus on fighting the war and leave foreign aid to the agencies with the expertise.

Just this week, one of our national news magazines said:

On the ground, the Coalition Provisional Authority, charged with actually running Iraq until the Iraqis can take over, is the source of increasing ridicule . . . So there they are, sitting in their palace: 800 people, 17 of whom speak Arabic, one is an expert on Iraq. Living in this cocoon. Writing papers. “It's absurd,” says one dissident Pentagon official. He exaggerates, but not by much. Most of the senior civilian staff are not technical experts. . . .

Time magazine says Joe Fillmore, a contract translator with the 4th Infantry Division in Tikrit, agrees that resentment is deep. “Things may look better on the surface,” he says, “but there is growing frustration with the occupation. The town is dividing into two parts: those who hate us, and those who don't mind us, but want us to go.”

Whether one was for or against war, we are now there. But when we are asked to buy enormously expensive

items, to spend more money to build a hospital in Iraq than we would spend on a hospital in Vermont, when we are asked to spend more money on telecommunications in Iraq than we are willing to spend in many states in the United States, when we are asked to spend more money on the electrical infrastructure in Iraq than we are willing to spend here, when we are asked to spend more money to put people back to work in Iraq than we are willing to spend in the United States, when we are asked to spend more money for police and security and prisons in Iraq than we are willing to spend where it is needed in the United States, when we are asked to spend more money for vehicles in Iraq than we spend for vehicles in the United States, I think it is fair we ask is this right? Is this necessary? Maybe it is time to put the right people in charge.

Mr. WARNER. Mr. President, if I might again bring to my colleague's attention the momentum that is presently in the CPA and its achievements. CPA is providing funds through military commanders—I want to point that out—military commanders in the field, coalition military commanders to fund projects at the village and municipal level. Approximately \$24 million has been spent on over 6,200 projects to date.

Health projects: Saddam Hussein budgeted \$13 million for health care in 2002, approximately 50 cents per person. For the second half of 2003, CPA allocated \$211 million—I repeat, \$211 million—a 3,200 percent increase in health care.

On April 9, only 30 percent of Iraqi hospitals were functioning. CPA is bringing the health care system back to life. Now all 240 hospitals in Iraq are up and running. The CPA has wiped away the old corrupt system for distributing medical supplies and pharmaceuticals. In the past 90 days, 9,000 tons of medical supplies have been delivered, an increase of 700 percent. Because of the CPA, Iraqi children have received 22 million doses of vaccine to cover over 4 million children and nearly a million pregnant women.

Education: Saddam starved the country's schools of cash for more than 20 years. Children were taught pro-regime slogans in classrooms little better than livestock sheds. Enrollment in some areas had dropped to 50 percent of eligible children.

CPA is refurbishing more than 1,000 schools. The schools will have new plumbing instead of raw sewage in the playgrounds, fresh paint, blackboards, pencils, and teaching equipment.

Justice system: Nationwide, 90 percent of the courts are up and running. Criminal courts in Baghdad reopened in May. A central criminal court made up of specially vetted judges and prosecutors has been established to try cases in public. The first trial was held August 25.

I could go on and on. I ask unanimous consent to print these success stories in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Coalition Provisional Authority]

IRAQ SUCCESS STORIES

Reconstruction Projects

CPA is providing funds through military commanders in the field to fund projects at the village and municipal level. Approximately \$24 million has been spent on over 6,200 projects to date.

Health Projects

Saddam Hussein budgeted \$13 million for healthcare in 2002, approximately 50 cents per person. For the second half of 2003, CPA allocated \$211 million, a 3200% increase.

On April 9th only 30% of Iraqi hospitals were functioning. CPA is bringing the healthcare system back to life. Now, all 240 hospitals in Iraq are up and running.

The CPA has wiped away the old corrupt system for distributing medical supplies and pharmaceuticals. In the past 90 days 9000 tons of medical supplies have been delivered; an increase of 700%.

Because of the CPA, Iraqi children have received 22.3 million doses of vaccine to cover over 4 million children and nearly a million pregnant women.

Education

Saddam starved the country's schools of cash for more than 20 years. Children were taught pro-regime slogans in classrooms little better than livestock sheds. Enrollment in some areas had dropped to 50% of eligible children.

The CPA is refurbishing more than 1000 schools. The schools will have new plumbing instead of raw sewage in the playgrounds, fresh paint, blackboards, pencils, and teaching equipment.

Justice System

Nationwide, 90% of courts are up and running. Criminal courts in Baghdad re-opened in May.

A Central Criminal Court made up of specially vetted judges and prosecutors, has been established to try cases in public. The first trial was held on August 25th.

Odious legal provisions inconsistent with fundamental human rights have been suspended. Criminal defendants now have the right to defense counsel at all stages of proceedings, the right against self-incrimination, the right to be informed of these rights, and the exclusion of evidence obtained by torture.

Eight Supreme Court Justices wrongfully removed by Saddam Hussein have been reinstated.

Judge Dara Noor al-Din, who was imprisoned for holding one of Saddam's decrees unconstitutional, is now a member of the Governing Council, in addition to his judicial duties. He was never a Ba'athist.

Judge Medhat Mahmood, was never a Ba'athist, has been named Chief Justice of the Supreme Court.

Mr. WARNER. There is enormous momentum.

Mr. LEAHY. Mr. President, when I hear this glowing description, I wonder why the administration is asking for another \$20 billion. I wish most of the States in the United States were doing as well as what the Senator from Virginia has described.

If they are doing that well, maybe we should give the \$20 billion to States in the United States that are not doing nearly as well and could probably use the money.

I am glad to hear the hospitals are all operating again. Obviously, from a

humanitarian point of view that is important progress. I hope the Iraqis realize they can go to any hospital they want now and they will receive the help they need. If that is true, why do we need to spend another \$150 million for another hospital? Rural hospitals throughout the 50 States of the United States cannot say that. I know a lot of places in the 50 States in the United States about which we cannot give the kind of glowing report the Senator from Virginia has given about Iraq.

Keep in mind, I am not asking for somebody to walk in there tomorrow and take over. But I would hope that within the next two months, with the 800 people in the palace over there, we might find more than 17 who can speak Arabic. That, I think, would be the kind of expertise the State Department could bring.

I hope we will have more than one expert on Iraq, and I hope we will tell the Iraqi people that we are as interested in them building their country following their vision and not, in almost a condescending way, saying we want them to have the opportunity to build a country that fits the vision our President has for them. After all, we are talking about a civilization that goes back long before this country was even discovered.

Mr. WARNER. Mr. President, I recognize that important bit of history. As I say to my friend of a quarter of century, we have had the privilege of serving here—and I see the distinguished acting minority leader on the floor—it would be the intention of the Senator from Virginia to move to table, but I first would like to hear an expression perhaps from others who might like to address the amendment.

Mr. REID. If the Senator from Virginia will yield.

Mr. LEAHY. I have the floor.

Mr. REID. If the Senator from Vermont will yield, I don't know how much more time the Senator from Vermont has. We have a couple other Senators who wish to speak. Certainly Senator LEAHY has no desire to ride this out. We have a number of amendments lined up and ready to go as soon as this is finished. The Senator from Vermont is the best person to answer that question.

Mr. LEAHY. Mr. President, I respond to the distinguished Senator from Nevada, we have had a good colloquy with the distinguished senior Senator from Virginia, which is not unexpected because the distinguished Senator from Virginia is one of the most knowledgeable Members of the Senate, as well as being a dear and close friend. I think we have probably proved, for those who are watching, the edification of having both sides here.

The Senator from Virginia, though I control the floor—I have yielded to him whenever he wanted.

Mr. WARNER. Mr. President, every courtesy has been extended, and I might add that I am in consultation with the distinguished chairman of the

Appropriations Committee on this matter, who likewise is presently on the Senate floor.

Mr. LEAHY. I have had time to say what I am going to say. I am also apparently having incipient laryngitis, which is probably as crippling an illness as any Member of the Senate could have.

Mr. WARNER. Mr. President, I do not detect it. I think the Senator is standing there with full vigor. I believe we have pretty well covered the major issues.

Mr. LEAHY. Full vigor everywhere except for my tonsils, I would say to my friend from Virginia.

The Senator from Virginia has the right to move to table, but this is an important issue, and I would hope that he would show his usual courtesy and withhold until people have had a chance to speak.

I yield the floor.

Mr. STEVENS. Before the Senator leaves, Mr. President, could we explore a time agreement on the amendment?

Mr. LEAHY. I ask the Senator from Alaska, could I yield to the Senator from Nevada for that purpose? Whatever is agreeable, I am perfectly willing to do.

Mr. STEVENS. Mr. President, we have a Senator's agreement that we are going from side to side. We have another amendment ready to go. We would be happy to proceed. The Senator from Colorado wants to speak for 10 minutes on the bill itself, but I should think we could get a time agreement.

Mr. LEAHY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, after having consultation with the interested Senators, I make the following unanimous consent request: I ask unanimous consent that the Senator from Colorado, Mr. ALLARD, have 15 minutes; the Senator from North Dakota, Mr. DORGAN, have 2 minutes; Senator LEAHY have 5 minutes; the distinguished minority leader have 10 minutes; Senator BIDEN have 10 minutes; and there be 25 minutes under my control to be allocated to interested Senators on this side, if any, and that there be a vote in relation to the Leahy amendment, with no amendments being in order prior to the vote.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The Senator from Colorado.

Mr. ALLARD. Mr. President, I understand our side is going to move to table the Leahy amendment, and I do support tabling the Leahy amendment. From what I have been able to observe,

I think things are going well in Iraq. Certainly, I have no qualms with the way the State Department and the Defense Department are working together. I do not think we ought to upset the apple cart when things are moving in the right direction.

I want to take a few moments to talk about the President's supplemental request in total. I ask my colleagues for quick action on the underlying bill. The reasons for quick action are simple. If we want to see a reduction in the number of soldiers in Iraq, we need to fully fund this request. If we want to improve the security in Iraq, we must approve this request. If we want a Democratic Iraq, governed by Iraqis, we must approve this request.

No one in this body on either side of the aisle would deny we need additional operational and procurement funds for our military. We all know that. Yet there is a great controversy over the reconstruction funds which in the long-term could be just as important to the safety of the troops as the additional operation and procurement funds.

Our troops will benefit from the additional operational funds that are requested in the \$87 billion. My view is that if we want to see our forces out of Iraq quickly, we need to have those operational funds because they are essential to moving ahead with Iraq becoming self-sufficient, with Iraq being able to defend itself and being able to assume the responsibilities the U.S. military right now is assuming.

My point is that not only are the Iraqis beneficiaries, but our soldiers over in Iraq are beneficiaries, and they are beneficiaries for the reason it is going to be an opportunity for them to move out quicker and get home quicker. That is what we all want to see. Our ability to protect the men and women of the U.S. military is at stake.

Since the beginning of hostilities last February, there have been 19 soldiers from Colorado's Fort Carson and five other Coloradans who have died in Iraq. These men and women have paid the ultimate sacrifice in pursuit of the freedoms we often take for granted. I would be dishonoring the sacrifice these brave Americans have made and failing to protect those who continue to serve in Iraq if I did not support both the military funding portion of the supplemental and the reconstruction funding.

While the \$20 billion in reconstruction funds will not end the guerilla attacks on our troops, it will make a difference. Iraq is a dangerous country, and as long as American troops are on the ground there, they will be at risk, as any American who may be in that country. However, the fact remains that the more we repair the old wounds of the Hussein regime, the safer our troops will be in Iraq. Specifically, the money we spend on upgrading the water of Iraq and sanitation services, the oil infrastructure rehabilitation, and the healthcare and education of

the Iraqi people will have a direct impact on the safety of our troops.

Improving the social conditions of the Iraqi people will reduce hostility and ease the sense of desperation many Iraqis have felt since the fall of Saddam Hussein. Moreover, this funding will give Iraqis hope and demonstrate our commitment to not only rid Iraq of terrorists, but also improve the lives of ordinary Iraqis.

Freedom cannot be bought on the cheap. And, as Paul Bremer testified last week, the Coalition Provisional Authority's seven-step program towards Iraqi self-governance hinges on the basic needs of the Iraqis being fulfilled. Without it, democracy will fail. This cannot be allowed to happen.

Think back about what has been mentioned before about reconstruction after World War II and how we all realized after World War I that we had troops who were waiting to go home, everybody was excited to go home, but nobody stayed around to help stabilize the countries we defeated during World War I. Consequently, events evolved and we were into World War II. I think we learned our lesson, and that is that there needs to be a reconstruction period. So we had the Marshall plan put into effect. I think we need to not forget that lesson today if we want to see Iraq be a permanent democracy in the Middle East.

Perhaps of most importance to our troops in Iraq is the efforts to reconstitute the Iraqi Army and expand the civil police force. The money in the supplemental would help establish 27 battalions for the Iraqi Army and a police force of about 80,000 in the next 12 to 18 months.

Let me stress how important these efforts are. To have Iraqi patrols policing their own people will allow a safer environment for our soldiers and show the Iraqi people that we are not occupiers, and that Iraq is their country and their responsibility. In fact, the commander of Central Command, General Abizaid, testified before the Senate Armed Services Committee that the most important part of the supplemental is these security funds. I quote General Abizaid:

... we can speed up the training of the Iraqi Army—instead of taking 2 years, take 1, and we can't do that without more money.

The general goes on to state:

... every month that goes by where we don't start those security projects is a month longer before those guys go out and potentially can relieve our troops of some of their duties.

If the combatant commander with responsibility for Iraq believes reconstruction efforts and the security of American soldiers is linked, we should certainly heed his advice.

I think the additional point has been made in many hours of testimony before the Armed Services Committee that our intelligence will improve dramatically the more we are able to incorporate the Iraqi police force and their assistance in maintaining domestic stability in Iraq.

The issue has been also broached about making the reconstruction funds a loan to the already impoverished nation. I object to this idea for two important reasons. First, there are those in the United States, and many more abroad, who protested the idea of going to war with Iraq. A large majority of these critics believed this was a war for oil. They believed our insatiable need for fuel was driving us toward an occupation of Iraq so we could control its oil fields. I am not going to outline why this assumption was flawed in the first place, because you only have to look at the U.N. mandates the Hussein regime ignored and the mass graves of his murdered people. This is an absurd notion but not one we can afford to ignore.

However, if we ask for a loan, where will Iraq come up with the money? Nineteen billion is what has been estimated in their oil fields when they get up in production, and when they have a \$20 billion loan, that doesn't even service the interest on that loan. How will it look for the United States when we ask the Iraqis to pump their crude to pay us back for the money we loaned them? Perception is important for us in the Middle East and we cannot afford to have an "oil motive" attached to our efforts to bring democracy to the region.

Another concern would be the example set for the other countries of the world that might contribute to the reconstruction effort. Iraq already owes \$200 billion to Russia and France and Germany and others. Are we to ask them to forgive their debt and then demand payment for our generosity?

Our negotiators need leverage when they ask for reconstruction funds from the rest of the world. Our leverage would be nullified if the proposed grant to Iraq changes to a loan. Again, perception of asking for help for a burgeoning democracy in the Middle East would be muddled if we have an IOU in our back pocket.

A few weeks ago the Chairman of the Joint Chiefs, General Myers, testified before the Armed Services Committee and remarked that our battle in Afghanistan and Iraq is a battle of wills. He stated:

We are going to win as long as we have the continuing will of the American people, and for that matter, freedom loving people everywhere.

This supplemental request is a measure of our will, a measure of our commitment to the Iraqi people. Terrorist organizations such as al-Qaida and state sponsors of terrorism like the former Hussein regime have doubted America's commitment in the past. Are we prepared to risk additional attacks against our troops if we fail to assist in the reconstruction of Iraq? Are we prepared to say to the people of Iraq they are on their own? Are we prepared to stay the course?

We must act quickly, we must act decisively, and we must pass this funding as requested by the President. The

United States must continue to show leadership in the world as we have since our inception. We must not allow our support of democracy and freedom to be compromised.

Last year, more than three-quarters of this body voted to support going to war with Iraq with the understanding we would not stop until we were victorious. We are not finished yet. More needs to be done. I ask my colleagues for quick approval of the supplemental funds for the sake of the security of the Iraqi people and the safety of our troops on the ground.

I yield the floor.

AMENDMENT NO. 1802

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. This afternoon the Senate is taking action to solve a problem for our soldiers serving in Iraq. Senator COLEMAN, myself, Senator STEVENS, and others have offered an amendment that deals with the cost of travel soldiers experience when they are going on a 15-day leave from the country of Iraq.

The life of a soldier is a heavy burden—in harm's way, away from home for long periods of time. It is also a heavy burden for their families. The decision by the Pentagon to provide a 15-day leave for those soldiers who are serving in Iraq to be able to come home to visit their families is a wonderful decision. It is the right thing to do.

But there has been a bureaucratic snag in this with respect to some rules that have said the soldiers on this leave will be dropped off at some central points in the U.S.—Baltimore, BWI Airport, Los Angeles—and then they must buy their own airplane ticket back to their home base. That is not right nor is it fair.

The amendment today says to those soldiers your travel will be covered, leaving Iraq to this country, all the way back to your home base. That is the right thing to do.

This amendment will be welcome news to the soldiers and welcome news to their families. This amendment is one small way for this country to continue to say thank you to those who serve our country.

Once again, I don't think it was ever intended that a soldier, asked to serve in the country of Iraq and then given a 15-day leave, should have to pay for part of the travel to get back home. Many of these soldiers can't afford it. They are living on soldier pay. They and their families very much look forward to these 15 days that will reunite them once again, and they ought not have to be burdened by having to buy an airplane ticket from Baltimore or Los Angeles. After all, that wasn't their point of departure. They left home to serve this country in Iraq and this country ought to say to them, for this furlough, for this opportunity to go back to your family, we will pay for the ticket back to your home.

That is the obligation of this country. This Congress on a bipartisan basis

this afternoon said to those soldiers, Thank you. We are pleased to fix this problem—a solution that I believe is going to be very welcome news to the U.S. soldiers and their families.

I yield the floor. I suggest the absence of a quorum, and I ask unanimous consent that the time running on the quorum call be counted equally against both sides.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DASCHLE. Mr. President, I rise in strong support of the Leahy amendment.

The amendment is very straightforward. It puts the State Department in charge of reconstruction of Iraq. It says that we ought to relieve our military of the burden of running this nationbuilding program, and we ought to put it in the hands of the U.S. Government agency that has successfully run such programs for decades.

The President recognized the wisdom of such a decision last fall when he directed the State Department to conduct its year-long study called "The Future of Iraq." The study apparently cost \$5 million. It convened countless meetings with independent experts on Iraq and on post-conflict reconstruction. And, unfortunately, the study's findings were completely ignored.

According to a remarkable story in this week's Newsweek, when it came time to send the reconstruction team into Iraq, Secretary Rumsfeld ordered the State Department expert who had spent the previous year preparing the United States Government for post-Saddam Iraq to stay home. Apparently, his absence meant something. Another member of the reconstruction team who did go to Iraq came home about a month later and wrote a remarkable article for the Washington Post. He offered a series of stories about his time in Iraq to demonstrate "how flawed policy and incompetent administration have marred the follow-up to the brilliant military campaign to destroy Saddam Hussein's regime."

Unfortunately, the civilian leadership continues to rely on overly rosey scenarios and unrealistic plans while the risk to our troops grows.

Last week, we were presented a plan by Ambassador Bremer that was supposed to set everything right in the reconstruction effort. His plan lays out five security goals—which are to be completed by October. Let me walk through just three of them.

The Bremer plan will "locate, secure, and eliminate WMD capability." Yet, today the lead man on the search for weapons of mass destruction was to brief Congress on his efforts to date.

According to press reports, he will report that he has not found any unconventional weapons.

The Bremer plan will also "eliminate munitions caches, unexploded ordnance and excess military equipment." Yet the New York Times reported last weekend that 650,000 tons of ammunition remains at thousands of sites used by the former Iraqi security forces, and that much of it has not been secured and will take years to destroy.

The Bremer plan will also "defeat internal armed threats" by October. Just today in Iraq, our commanding general on the ground in Iraq, said that our troops are facing increasingly sophisticated attacks and it would take years before Iraq could maintain internal security without backup.

The Leahy amendment simply says that we have had enough of unrealistic plans and inexperienced planners. It says we are not comfortable that our troops—overstretched and at risk—are being forced to lead the nationbuilding effort in Iraq. It says what every independent assessment of our Iraq effort has urged us to do: put the experienced reconstruction experts at the State Department—not our military—in charge of nationbuilding.

I urge my colleagues to support the Leahy amendment, and I yield the floor.

Mr. STEVENS. Mr. President, I am informed it will now be possible to yield back all the time on the Leahy amendment. The distinguished Senator from Vermont is here in the Chamber.

I yield any remaining time on our side on the Leahy amendment.

Mr. LEAHY. I yield our time.

Mr. STEVENS. Mr. President, I move to table the Leahy amendment and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. DASCHLE. Mr. President, I would like to note the absence of a quorum so that we can just finalize some comments before we make an announcement about the remainder of the evening.

Mr. STEVENS. Mr. President, it would be my purpose to try to see if we could have a specific time on this vote.

Mr. DASCHLE. Six o'clock.

Mr. STEVENS. Six o'clock?

Mr. President, I ask unanimous consent that this vote that has just been ordered occur at 6 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, in just a minute we will start the vote on the

Leahy amendment, but I want the Senate to be on notice following this amendment there will be a vote on a Federal judge. That will be announced during the period right after this vote.

UNANIMOUS CONSENT AGREEMENT—EXECUTIVE CALENDAR

Mr. FRIST. Mr. President, I ask unanimous consent following the scheduled vote, the Senate immediately proceed to executive session and to consecutive votes on the following nominations on today's Executive Calendar: Calendar Nos. 382, 383, 385, and 386.

I further ask unanimous consent that there be 2 minutes equally divided between the two leaders or their designees prior to each vote; further, that following the votes, the motions to reconsider be laid upon the table, the President be immediately notified of the Senate's action, and the Senate then return to legislative session.

Mr. DASCHLE. Reserving the right to object, I take just a moment to thank the distinguished ranking member of the Judiciary Committee. I know how strongly he feels—and I understand the reasons he feels this way because I share them—that these are very important matters that should not be relegated necessarily to voice votes. But he has, once again, demonstrated a real appreciation of Senators' schedules and his understanding of the need for other Senators to offer amendments on this very critical bill we are dealing with. And in order to accommodate Senators who have amendments to offer, once again, he has agreed with my request that we do a rollcall on the first vote and then voice votes on the other ones.

So I just want to publicly acknowledge his cooperation and his assistance on this matter and thank him since he is currently in the Chamber. But I appreciate that.

I have no objection.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Mr. President, with the indulgence of the two leaders, I appreciate very much what the Democratic leader has said. He and I, and the distinguished majority leader, and Senator HATCH, and others, want to move judges whenever we have consensus. And I think we have shown we have.

In the 17 months we were in charge of the Senate, when we were the majority, we confirmed 100 of President Bush's nominees to the Federal judiciary. In the 16 months the Republicans have been in control, this will make another 64 we have confirmed. So it is around 164 between the 2 parties. It is a record that has not been matched for years and years and years.

But I am happy to accommodate the two leaders. I know the problems the two leaders have. I would not wish them on anybody else. The two leaders have been trying to schedule things, so I am happy to try to accommodate them and all Members.

The PRESIDING OFFICER. Without objection, it is so ordered.

The majority leader.

Mr. FRIST. Mr. President, just for clarification, we will have the vote on the Leahy amendment now, followed by a rollcall vote on one of the judicial nominees, followed by a voice vote on the next three judicial nominees.

In the meantime, we will be discussing the schedule for later this evening. Amendments will be in order tonight. They will be laid down. We will talk about the voting schedule here shortly.

The PRESIDING OFFICER. The Democratic leader.

Mr. DASCHLE. Mr. President, before we go to the vote, I know our colleagues will be coming to the floor to vote on these two matters.

The distinguished majority leader and I have been talking about the schedule tomorrow. And without in any way preempting him and the decisions he will make about the schedule, there is a possibility that we will not be in session tomorrow but that we will have a window for Senators to offer amendments.

The only reason I say that now is if Senators would contemplate the offering of an amendment tomorrow, I would like them, at least on the Democratic side, to consult with Senator REID and myself during these votes so that we have an understanding of how many of those amendments might be offered. We would only have about a 2-hour window. But if Senators are interested, during these votes I hope they will come to either Senator REID or myself to discuss the queuing of those amendments and whether or not we will have an opportunity to consider them all.

So I hope we will use the time available to us for discussion of that. And we will have more to say about that sequencing once those votes have been completed.

VOTE ON AMENDMENT NO. 1803

The PRESIDING OFFICER. The question is on agreeing to the motion to table amendment No. 1803. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. REID. I announce that the Senator from Florida (Mr. GRAHAM) and the Senator from Connecticut (Mr. LIEBERMAN) are necessarily absent.

The PRESIDING OFFICER (Mr. CHAMBLISS). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 56, nays 42, as follows:

[Rollcall Vote No. 374 Leg.]

YEAS—56

Alexander	Cochran	Enzi
Allard	Coleman	Fitzgerald
Allen	Collins	Frist
Bennett	Cornyn	Graham (SC)
Bond	Craig	Grassley
Brownback	Crapo	Gregg
Bunning	Dayton	Hagel
Burns	DeWine	Hatch
Campbell	Dole	Hollings
Chafee	Domenici	Hutchinson
Chambliss	Ensign	Inhofe

Kyl
Landrieu
Lott
Lugar
McCain
McConnell
Miller
Murkowski

Nelson (NE)
Nickles
Roberts
Santorum
Sessions
Shelby
Smith
Snowe

Specter
Stevens
Sununu
Talent
Thomas
Voinovich
Warner

NAYS—42

Akaka
Baucus
Bayh
Biden
Bingaman
Boxer
Breaux
Byrd
Cantwell
Carper
Clinton
Conrad
Corzine
Daschle

Dodd
Dorgan
Durbin
Edwards
Feingold
Feinstein
Harkin
Inouye
Jeffords
Johnson
Kennedy
Kerry
Kohl
Lautenberg
Leahy
Levin
Lincoln
Mikulski
Murray
Nelson (FL)
Pryor
Reed
Reid
Rockefeller
Sarbanes
Schumer
Stabenow
Wyden

NOT VOTING—2

Graham (FL) Lieberman

The motion was agreed to.

Mr. WARNER. I move to reconsider the vote.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EXECUTIVE SESSION

NOMINATION OF WILLIAM Q. HAYES, OF CALIFORNIA, TO BE UNITED STATES DISTRICT JUDGE

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to executive session to consider Executive Calendar No. 382, which the clerk will report.

The legislative clerk read the nomination of William Q. Hayes, of California, to be United States District Judge for the Southern District of California.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, William Q. Hayes is certainly qualified to be a Federal district court judge for the Southern District of California. I recommend to all our colleagues they support him. I believe everybody will be pleased with the service he will give.

I yield back the remainder of my time.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Mr. President, I yield my time to the Senator from California.

The PRESIDING OFFICER. The Senator from California.

Mrs. BOXER. Mr. President, I thank Senator LEAHY and Senator HATCH. This is an excellent nominee for the Southern District Court of California, William Hayes.

I want to emphasize the excellent process that we have in place to select District Court nominees in California.

In a truly bipartisan fashion, the White House Counsel, Senator FEINSTEIN and I worked together to create four judicial advisory committees for